



**An investigation into the curriculum of selected hotel schools in  
South Africa in preparing graduates to successfully operate a  
commercial restaurant.**

**by**

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**Submitted in fulfillment of the requirements for the degree:  
Master in Technology: Tourism and Hospitality Management  
In the Faculty of Business and Management Sciences  
at the  
CAPE PENINSULA UNIVERSITY OF TECHNOLOGY**

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**Date: 7 April 2015**

## DECLARATION

I, Annadia Van der Merwe, declare that the contents of this dissertation represent our own unaided work, and that the thesis has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinion and not necessarily those of the Cape Peninsula University of Technology or Central University of Technology.

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Signed

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Date

## **ABSTRACT**

The purpose of this study was to investigate the relevance of the curriculum offered by universities of technology hotel schools in South Africa, in preparing students to be able to open and operate commercial restaurants successfully after graduation.

Data for this research were obtained making use of qualitative and quantitative research. The researcher conducted interviews with restaurateurs throughout South Africa to determine what skills and knowledge would be required to ensure that students who graduated with their National Diploma in Hospitality Management: Food and Beverage (NDHM: FB), would be able to open and operate a sustainable and profitable commercial restaurant. The information obtained from these interviews was used to draw up a questionnaire, completed by third year students who hoped to graduate at the end of the year, sampled from the Cape Peninsula University of Technology Hotel School (known as the Cape Town Hotel School) and the Central University of Technology Hotel School. The questionnaire was designed to measure the students' perceptions of their competencies in various areas i.e. of their skills and knowledge to open and run a successful commercial restaurant.

The results revealed that, in general, the third year students did consider themselves to have the necessary skills and knowledge.

The researcher recommends that hotel schools at Universities of Technology introduce more entrepreneurship and incubation programmes to provide more opportunities for graduates to open their own restaurants.

## ACKNOWLEDGEMENTS

I wish to thank:

- The Cape Peninsula University of Technology for financial assistance to complete my studies.
- Professor Spencer and Miss Septoe for their professional assistance and guidance.
- The Cape Town Hotel School and Central University of Technology Hotel School for allowing me to conduct the research.
- The EE Committee of the Cape Peninsula University of Technology for permission granted to conduct this research.
- The restaurateurs who participated in the interviews.
- The students for their assistance in completing the research questionnaires
- Melanie Stark, for editing the dissertation.
- My friends and family, for believing in me and giving me their unconditional love, support and encouragement.
- Most especially, my loving husband and my father, who both inspired me to achieve more than I could at first imagine.

# DEDICATION

THIS THESIS IS DEDICATED TO EVERY STUDENT  
WHO DARES TO GO AFTER THEIR DREAMS

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## LIST OF ABBREVIATIONS

BBBEE	Broad-Based Black Employment Empowerment
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority
DHE	Department of Higher Education
DTI	Department of Trade Industry
GDP	Gross Domestic Product
IBIS	International Business Industry Statistics
KFC	Kentucky Fried Chicken
NDHM:FB	National Diploma in Hospitality Management: Food and Beverage
NQF	National Qualifications Framework
NRAI	National Restaurant Association of Ireland
NRASA	National Restaurant Association of South Africa
NRAUS	National Restaurant Association of the United States
NSDS	National Skills Development Strategy
RPI	Restaurant Performance Index
SACHE	South African Council of Higher Education
SADBE	South African Department of Basic Education
SADTI	South African Department of Trade and Industries
SAGRA	South African Graduate Recruiters Association
SAQA	South African Qualifications Authority
SEDA	Small Enterprise Development Agency
SPSS 20	Statistical Package for the Social Sciences, v. 20
Stats SA	Statistics South Africa

US	United States
USA	United States of America
YRI	Yum Restaurants International



## GLOSSARY OF TERMS

The glossary provides definitions of the terms as used in the current research. *Curriculum*: The set training standards taught at the CPUT and CUT Hotel Schools.

*Hospitality industry*: A broad category of fields within the service industry that includes restaurants.

*Relevance of the curriculum*: Is the curriculum up-to-date with what is required by industry and current to hospitality trends?

*Restaurant sub-sector*: A highly labour-intensive sector within the hospitality industry.

*Skills and knowledge required to open and operate a restaurant successfully*: Set skills and knowledge that a third year graduate should have to be able to open and operate a successful commercial restaurant.

*Skills and skills development training*: Competencies taught to the students to enable them to perform the necessary tasks.

*Successful restaurant*: one that generates a higher income than expenses.

*Third year graduating students*: Students who have completed the NDHM:FB.

# **CHAPTER ONE**

## **ORIENTATION AND BACKGROUND TO THE STUDY**

### **1.1 Introduction**

South Africans have much to be proud of, especially in the tourism and hospitality industry, because it has always been a country with ample potential and talent. Unfortunately, the unemployment rate is over 23% (Stats SA, 2012b6) even though it is seen as a developing country; for this reason it can be argued it would be ideal if hotel school-graduates were able to open their own business. Opening a new business means more jobs would be created, possibly contributing to a decrease in unemployment (Miller: 2007).

Statistics South Africa (Stats SA, 2009:4) recognised that restaurants are one of the biggest contributors to the hospitality industry in South Africa, and generates more than R39 million of income per year. But, Parsa, Selft, Njite and King (2005:304) argue restaurants can be considered high risk businesses because one in every three fails within the first three years. Parsa et al (2005:304) added that these failures can be attributed to economic and social factors, competition, legal restrictions and even government intervention. Miller (2007) asserts restaurants fail because of a combination of macro and micro factors. Macro factors are conditions or events not under the restaurant owner's control, such as the economic climate or environmental disasters; micro factors are matters the owner can control, such as insufficient capital, poor location and lack of commitment. The researcher argues that if the restaurateur is capable of managing all micro factors, the likelihood of the restaurant being successful should increase.

Hotel schools in South Africa, such as the Cape Town Hotel School (CTHS), which is part of Cape Peninsula University of Technology (CPUT), and the Central University of Technology Hotel School (CUT) in Bloemfontein, provide skills-based training to prepare students for the hospitality industry. Both hotel schools offer a three-year National Diploma in Hospitality Management: Food and Beverage (NDHM:FB) where students are exposed to theoretical and practical training.

The research will determine if a third year graduate is able to open and operate a restaurant successfully. The aim and objectives of the research are explained through answering the research questions.

## **1.2 Rationale of the research**

The researcher wishes to determine the relevance of the curriculum in preparing third year graduates to open and run a commercial restaurant successfully.

To measure the relevance of the curriculum, the researcher had to determine just what skills and knowledge are required to open and operate a successful restaurant. This information was obtained in interviews conducted with experienced restaurateurs from three different types of restaurants, namely fine-dining restaurants, fast-food restaurants and coffee shops. A detailed interview schedule was used to guide the interviews.

The skills requirements were then compared to the skills-based training offered by the hotel schools, by testing the third year students' perceptions of their knowledge and experience through a questionnaire, based on the information obtained in the interviews with restaurateurs. Focus groups were also conducted with selected groups of restaurateurs and students to obtain different perspectives on the capabilities of a third-year graduate to open and operate a successful restaurant.

The researcher was then able to establish if the students thought their knowledge would be sufficient to open and operate a successful restaurant, and therefore whether the curriculum was relevant to this need.

The results would also enable the researcher to identify aspects among the students, or the diploma course, that might hinder the success of a future restaurant.

## **1.3 Problem statement**

Based on the feedback obtained from industry it appears that given the current level of training at hotel schools in South Africa, it remains a challenge for graduates to open and operate a viable, commercial restaurant (Seager, 2013). Therefore the research needs to determine if a third year graduate has the necessary skills-set. Seven sub-problems were considered, namely:

1. Student perceptions of success;
2. The use of supporting computer systems;
3. Financial skills;
4. Operational skills;
5. Strategy skills and future planning;
6. Marketing strategies, and
7. Social skills.

## **1.4 Objectives of the research**

The researcher must determine whether the curriculum offered at the CTHS and CUT hotel schools is sufficient to enable graduates to open and operate a commercial restaurant successfully. The objectives of the research were, therefore to:

1. Identify the aims and objectives of the current programmes offered by universities of technology hotel schools in South Africa, as sampled through CPUT and CUT.
2. Identify the demand for graduates to open restaurants.
3. Identify criteria used in considering a restaurant as successful.
4. Investigate the main reasons why restaurants fail.
5. Investigate what skills are required to open a successful restaurant.
6. Identify how graduates can ensure their restaurants are successful.
7. Identify areas in the current curricula offered by universities of technology in South Africa that can be developed further to ensure they are relevant to the hospitality industry.

## **1.5 Aim of the research**

The aim of the research is to establish the relevance of the current NDHM:FB programme, so that it can be tested against the hospitality industry's requirements to open and operate a commercial restaurant successfully.

## **1.6 Research Questions**

Although a research project seeks to solve a single research problem, it can usually be too large to treat as a whole, and therefore it often helps to break the problem down into key questions (Woodbridge & Pretorius, 2008:130).

The research questions related to this research were:

1. What are the aim and objectives of the current NDHM:FB programs of universities of technology hotel schools in South Africa as sampled through the CPUT and CUT hotel schools?
2. Is there a demand for graduates to open a restaurant?
3. What knowledge and skills are required to open and operate a successful restaurant?
4. What can restaurateur do to ensure the success of their restaurants?
5. When is the restaurant regarded as successful?
6. What are to main reasons why restaurants fail?
7. Is the curriculum offered by universities of technology hotel schools in South Africa relevant to current trends in the hospitality industry?

8. Is there any area in the current curriculum offered by universities of technology hotel schools in South Africa that can be further developed?

## **1.7 Literature Review**

According to the CATHSSETA, the Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority, the tourism sector in South Africa was the only sector that successfully increased employment opportunities, and its contribution to the Gross Domestic Product (GDP) during 2009 (CATHSSETA, 2011:5).

The hospitality industry in South Africa employed over 11 million people in more than 830 000 food service establishments in 2001 and, on a typical day, almost one-half of all adults were food-service patrons (Rainford & Bangs, 2001:22). They added that a typical restaurant employed about 20 people, and had the potential to increase job creation within the hospitality sector. CATHSSETA (2013a:7) reported that the total number of employees in the hospitality sector showed a significant increase to 1.8 million employees, and South Africa Tourism (2008:8) argued it can continue to achieve this growth if properly skilled people fill the newly created positions. Cooper, Floody and McNeill (2002:5) estimated that even though the hospitality sector in South Africa is showing strong growth, one-third of all new restaurants still went bankrupt or closed down, for many reasons, including undercapitalisation, failure to identify properly a concept that fits the owner's life-style, or the owner becoming disillusioned with his or her concept.

The hospitality sector is one of the fastest growing sectors of the economy, it is a multi-million rand enterprise, and the increase in the tourism markets has brought about a greater need for restaurateurs (CATHSSETA, 2013a:12). The South African Department of Commerce (SADC, 2013) noted that travellers spent more than R70 billion rand on food and beverages in 2012. The provision of food and beverages forms a substantial part of the activities of the hospitality industry, and indeed the economy as a whole (Davids, Lockwood, Pantelidis and Alcott, 2008:3). Camillo, Connolly and Kim (2008:378) list the requirements for a restaurant to be successful: it needs a new restaurant concept that is viable and distinct in the marketplace, conveniently located in areas with sufficient demand generators, and staffed with competent employees and management. Niemand (2009:19) noted there are particular challenges facing small businesses, and managing them are somewhat different to managing a large firm; nevertheless basic management principles must be applied to determine in advance what is to be achieved and how to do this.

Sparks (2003:2) recognised that restaurants play an important factor in the choice of holiday destination in South Africa for tourists, and his research also documented how the restaurants at the destination can enhance the overall satisfaction of the destination.

The media and various tourism and industry bodies have become progressively more aware of the need for restaurants in the tourism market.

Successful restaurants must have hands-on managers, who constantly manage and control the business, as maintaining an appropriate balance between food costs and labour costs, managing employee turnover, and focusing on food and service quality and consistency are fundamental elements of restaurants, and are critical to restaurant success (Camillo, Connolly & Kim, 2008:378).

Through innovation entrepreneurs create new competitive markets and businesses which could lead to job creation and have a multiplying effect on the economy (First National Bank, 2013b:2). Despite economic pressures and the impact of the National Credit Act (No 34 of 2005) slowing down the growth of restaurants in South Africa, constant value growth will remain steady over any forecast period as the economy recovers (Consumer Food Service, 2012:1). *Your Business* (2010:1) identified that the food business offers tempting opportunities for entrepreneurs looking to start up a business, as restaurant outlets were among the most active business categories, generating R8.9-billion in turnover in 2009–2010.

*Your Business* (2010:1) also stated that the South Africa food industry was an exciting sector to operate in, and industry knowledge was easily transferred ensuring that entrepreneurs with the right attitude could create a successful business. However restaurateurs were warned not to operate blindly as small things such as a bad kitchen flow or poor administration could turn a dream into a nightmare.

Mischitelli (2005:7) estimated that eating and drinking establishments in the United States (US) did over R250 billion worth of business each year, but there was no one correct recipe for success in the food-service industry, with many people claiming that luck was crucial to success. Cooper et. al. (2002:6) argued that any 'luck' was a direct result of good business practises, which are obtained through having the right business skills. While Davids et al., (2008:3) noted that opening one's own business could be important to the economic and social development of South Africa, and argued that despite all the challenges restaurant owners faced, substantial growth across the industry as a whole had occurred, with the fast food restaurant and take-away sectors in particular growing at around 10% per annum.

Given the many changes and developments in the hospitality industry since the start of the new millennium, including new technology, health and environment awareness, and customer expectation of products and services; and challenging factors such as a strong increase in competition and the continued increases in food and beverage costs (Davids et al., 2008:3), Collis (2005:5) recommended business strategies in restaurants should receive a strong increase in attention, which is why management skills and qualities are needed to make a business successful. Collis also recommended that a business strategy should cover corporate and competitive strategies, with resource-based views on how consumer preference and competitive positioning would be obtained.

Mischitelli (2000:8) argued that most banks categorised restaurants as high risk investments, as over 80% of restaurants become insolvent within the first five years of operation, and often refuse to give loans to restaurants. Mischitelli (2000:8) observes (somewhat cynically) that most restaurants fail due to people walking around in them with the word 'manager' pinned to their lapel, but they often lack the ability to follow a sound set of management principles.

Restaurant research conducted by Parsa et al. (2005:304) identified that a relatively modest 26.16% of independent restaurants failed during the first year of operation, and only marginal differences in restaurant failures between franchise chains (57.2%) and independent operations (61.4%). Therefore there is an approximately 70% possibility of survival for a new restaurant with an average market growth rate of 3 to 4% per year. The main reasons why restaurants fail are because the owners do not have the necessary skills-sets, resources or dedication to ensure their businesses succeeds (Parsa et al., 2005:305). They identified that poor management related to poor financial contributions, inadequate accounting records, limited access to necessary information, and general lack of good managerial advice.

Rainford and Bangs (2001:22) also established that one third of restaurants failed within the first year of operation, and of those remaining another one third failed in the second year of operation. For those still in operation in year three, the chance of success became much better: 65% would make it to ten years. For a franchised restaurant only 10% fail in the first year and 85% are still operating under the same ownership after five years. They argued that a successful restaurant needs all the skills and knowledge that other small business owners need to succeed; and most small businesses would succeed provided their owners were determined, stubborn and willing to take control of those variables that could be controlled (Rainford & Bangs 2001:22).

The International Hotel School (IHS, 2013a:1) stated that to operate a restaurant effectively, good organisational skills, excellent inter-personal skills and proper academic guidance are needed.

Writing (2015:1) agreed that studying and learning how to enter the restaurant business is crucial in achieving success, and by doing the background research, one can determine the factors that make a restaurant successful in the midst of heavy competition. While much of what is learnt comes from hands-on experience, the graduate needs to make the most of the opportunities, and needs to ensure that one is sufficiently educated (IHS, 2013a:1).

The South African Department of Higher Education and Training (SADHET, 2013:13) aims to develop capable, well-educated and skilled citizens who are able to compete in a sustainable, diversified and knowledge-intensive international economy. They plan to do this by reducing the skills-bottlenecks, especially in priority and scarce skills areas; improving low participation rates in the post-school system; correcting distortions in the shape, size and distribution of access to post-school education and training, and improving the quality and efficiency in the education system, its sub-systems and its institutions for higher education.

The CTHS (CPUT, 2013:1) and the CUT Hotel School (2013b:1) are two of the hotels schools registered with the DHET under the Higher Education Act of 1997. According to the South African Qualifications Authority (SAQA, 2013a:1) a student who completes a National Diploma in Hospitality Management: Food and Beverage should be competent in using basic managerial skills, which include being competent in communication; technical and business management; financial management; operations management; and cooking skills and having sufficient knowledge of nutrition and retail. CATHSSETA (2013a:9) reported that restaurant manager positions were very difficult to fill as this occupation was classified as a scarce skill, due to a lack of suitable and qualified managers.

The primary goals of the qualification at the CTHS are to present the study of food and beverage in a clear and informative manner; help learners to be able to understand basic restaurant infrastructures and procedures; prepare and describe the layout of food service areas; describe and perform basic service skills; and demonstrate basic theoretical and practical skills, all needed to successfully open and operate a restaurant (CPUT, 2013:1).

CATHSSETA (2013a:11) noted the problems identified with hospitality-related qualifications are usually with the packaging of the training material and core content, which results in skills gaps in the graduates who have acquired these qualifications.



CATHSSETA (2013a:11) also argued that the learning areas are not packaged so as to lead learners to any one specific job specification; instead, the learner would have to study a number of unit standards in different modules to be competent for a specific management or communications jobs.

## **1.8 Research Methodology**

Welman, Kruger and Mitchell (2005:2) argue that research needs different measures and techniques to provide information. Brynard and Hanekom (2005:2) suggested that research methods are identified by means of which an endeavour is made to obtain answers to the research questions, to solve the identified problems in a systematic manner, and with support of variable facts.

The research conducted in the current study used both qualitative and quantitative approaches, to ensure that the information obtained is objective and accurate.

By using a qualitative methodology, the researcher was able to obtain a true reflection of the required skills needed for a restaurateur, and was able to measure third-year students' perceptions of their skills and experience by using a quantitative methodology.

## **1.9 Sampling and surveys**

Sampling was used as a research technique to ensure that the sample was a true representation of the population. Two hotel schools in two provinces were studied, namely the CTHS in the Western Cape, and the CUT Hotel School in Bloemfontein. The students planning to graduate with the three-year NDHM:FB were sampled and interviewed; questionnaires and focus group discussions were used as data collection techniques.

### **Interviews**

Coldwell and Herbst (2004:15) argued that qualitative research allows an in-depth analysis of problems, opportunities and situations. The researcher employed qualitative research through the use of interviews with successful restaurateurs from a range of restaurants, including fast food restaurants, coffee shops and fine-dining restaurants. Interviews were also conducted with focus groups of both managers and students, on two occasions, to establish different aspects and opinions regarding the research topic. The interviews were conducted using an interview schedule consisting of set questions. These questions were pre-tested in pilot studies, to ensure that relevant data was obtained, and that all the interviews were guided for consistent results.

The information obtained from the interviews was used to determine what skills would be required for a third-year graduate to be able to open and operate a successful restaurant.

### **The Questionnaire**

A questionnaire, which consisted of open- and close ended questions, was constructed from the information obtained from the interviews conducted with restaurateurs and focus groups, around the research problem and sub problems. It was designed to measure students' perceptions of their competencies in different areas i.e. their knowledge and skills gained through their course, which is intended to enable them to successfully open and operate a commercial restaurant in the future.

The outcomes of the questionnaires were recorded as data into the Statistical Package for Social Science (SPSS) 20 program, which was then converted into statistical results.

### **Focus Groups**

Interviews were conducted with selected focus groups of students and managers to obtain different perspectives regarding the capability of a third-year graduate to open and operate a successful restaurant.

## **1.10 Significance of the research**

The research can benefit hotel schools as it provides information regarding the curriculum. Data collected and analysed would be able to identify the strengths and weaknesses in the curricula as perceived by the students. The hotel schools can compare the study results with the curriculum and re-engineer if necessary to ensure that the training provided for students is effective and relevant.

Compiling research about hospitality management curricula will add to the existing hospitality literature, mainly in the areas of curriculum review and development, in relation to the skills and competencies required by industry, and discrepancies between what is being taught and what is needed by industry could be deduced (Conradie,2012:13).

Future students would benefit as they would receive training that is more appropriate and industry-focused.

The literature review showed a limited information regarding restaurant operations in South Africa published since 2008. This study will contribute to ensuring that relevant and up-to-date information will be available for future researchers.

If the hotel schools ensure that their curricula are better aligned with industry requirements, in turn this will enable third-year graduates to have more confidence to open and operate successful restaurants, create more jobs, make South Africa an even more attractive holiday destination and thereby contribute to the economy.

### **1.11 Ethical considerations**

The researcher promoted the aims of the research respectfully, through ensuring that the knowledge obtained was reliable, objective, correctly accounted for and used in a fair and confidential manner.

### **1.12 Overview of the study**

The study is structured as follows:

#### **CHAPTER ONE – Orientation and background to the study**

This chapter includes the problem statement; sub-problems; aims, objectives and research questions; and purpose of the study. The research methodology, literature review, and significance of the research study are briefly discussed.

#### **CHAPTER TWO – The Restaurant Sector**

Chapter Two details the literature reviewed for the study.

#### **CHAPTER THREE – The Curriculum of Universities of Technology Hotel Schools**

Chapter Three w details the curricula offered by Universities of Technology hotel schools in South Africa, as sampled by CTHS and CUT hotel school.

#### **CHAPTER FOUR - Research Methodology**

The research methods and techniques are explained. The information obtained from interviews with restaurateurs, and focus groups with students, was used to draw up a questionnaire distributed to the third year students of the CTHS and CUT hotel schools.

#### **CHAPTER FIVE – Data Presentation and Analysis**

The data gathered by means of the questionnaires is presented in tables and figures, and the results are analysed and interpreted.

#### **CHAPTER SIX – Conclusions and Recommendations**

Concluding remarks, with recommendations made for various parties.

### **1.13 Chapter summary**

The researcher noticed, through discussions with students and restaurateurs, that a fair number of students enter hotel schools intending to open their own restaurants in the future. But restaurants are considered a high-risk investment. This chapter took these facts as the basis for the research study. Opening a successful restaurant is not just about having the right academic qualification; it requires a combination of a strong and dedicated passion for restaurants and customers, and the necessary skills and knowledge.

# **CHAPTER TWO**

## **THE RESTAURANT SECTOR**

### **2.1 Introduction**

Many students entering hospitality training programmes dream of having their own successful business one day (Bilderback, 2008:351), but according to Mealey (2013a:10) successfully operating a restaurant is one of the hardest (if not the hardest) of businesses operations. Literature obtained by the researcher clearly demonstrates that even though there is a high demand for restaurants across the world, the amount of restaurants that fail remains enormous due to inexperienced restaurateurs trying to achieve more than what they are prepared for.

This chapter will investigate the success and failure rates of restaurants during the past ten years, what skills and knowledge are recommended to operate a restaurant, and will explore the opportunities and challenges involved in opening and operating a commercial restaurant. Through investigating the success rates of new restaurants and describing the role of restaurants in the national and international economy, the researcher describes the impacts that restaurants could have on the South African economy.

### **2.2 International restaurant business and economic trends**

Scholasticus (2013:1) listed the following economic factors that need to be analysed to ensure business success:

- Demand and supply, i.e. the ability of customers to purchase a product and the ability of a business to provide it.
- Marginal and total utility of the satisfaction derived from the consumer consuming the goods.
- The amount of money a business has in circulation, the borrowing capacity from banks and banking policies.
- Economic growth and development within the country, which indicated the amount of money invested into small business channels for economic growth.
- The employment density and rate of income, which will determine the purchasing power of consumers.
- The average price of commodities and raw materials, which could lead to a reduction in consumer demands and total revenue.
- Inflation, which occurs when the supply of money in the economy is not supported by the output of goods and services, which in turn could result in the increase of raw materials.

- Recession, causing a shortage of funds available for businesses which makes it hard for them to survive.
- The exchange rate when goods are imported.
- Interest rates on business loans.
- Government legislation like the liquor and tobacco laws.

John and Harrison (2012:5) recognized that despite the economic challenges, there was a hunger for growth within the restaurant industry across the world. They noted that in countries like the United States of America (USA), restaurant industry gross incomes grew from \$565 billion in 2009 to \$660.5 billion in 2012, an estimated 4% of the US GDP.

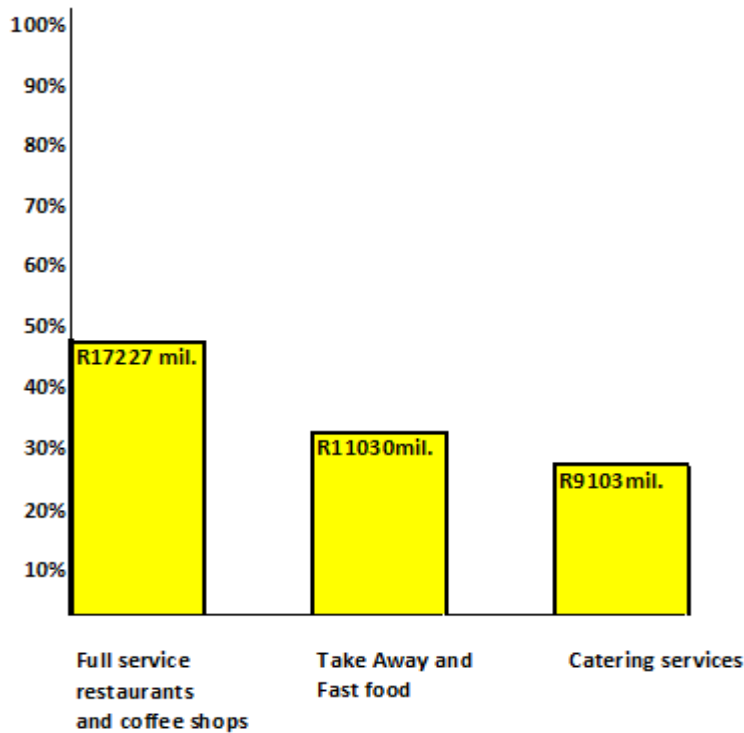
The National Restaurant Association of United States (NRAUS) (2013a:1) and the USA food-service industry (NRAUS, 2013b:1) recognized that most restaurant operators expected to have higher sales during the second half of 2013 compared to 2012. Restaurant sales growth was demonstrated for four consecutive years up to 2013 and continues to outpace the overall economy in job creation (NRAUS, 2013b:1).

John and Harrison (2012:5) added that even though the operating environment of a restaurant would remain challenging, restaurants were still likely to be successful if management had undergone sufficient training to react to economic conditions strategically and ensured that the food and service provided was of good quality and standard.

### **2.3 South African Restaurant business and economic trends**

According to Statistics South Africa (Stats SA, 2009:30), in the previous ten years South Africa experienced strong growth in restaurants such as McDonald's, Spur, Kentucky Fried Chicken (KFC), Steers, Wimpy, Mug and Bean and some private restaurants and coffee shops, as more than 8 200 restaurant enterprises opened in the country.

Stats SA (2012b:1) reported the total income for the food and beverage industry in 2009 at R37 360 million. Figure 2.1 shows the contributions from each restaurant sector in South Africa for 2009.



**Figure 2.1 Total incomes for different sectors within the food and beverage industry**

Source: Stats SA, 2012b

The South African restaurant sector has grown rapidly over the last decade and was one of the fastest growing sectors in the economy (Taal, 2012:3). Income generated by restaurants increased to R39 million in 2010, R41 million in 2011 and R45 million in 2012 (Stats SA: 2012b). Stats SA (2014:2) showed that the total income in the food and beverage industry increased by over 5% in 2014, and continued to demonstrate good potential for further growth.

The downturn in the economy caused many displaced workers to change careers and enter the restaurant sector (Mealey, 2013a:1). The South African economy offered enormous opportunities to entrepreneurs looking to start a business, as the entry barriers were very low (Reconnect Africa, 2013:4). Mealey (2013a:1) noted that passion for the product, experience in the industry, or an opportunity to purchase a business at an attractive price contributed to entrepreneurs pursuing dreams of opening a restaurant. Reconnect Africa (2013:4) agreed that entrepreneurs with the right attitude are very likely to create a successful business in the South African food-service industry as the industry knowledge can be transferred easily.

Most restaurants have mushroomed under the Broad-Based Black Economic Empowerment (BBBEE) policy and are operated as franchises, while others are owned by independent or newly emerging entrepreneurs, showing that restaurants held ample opportunities for capable entrepreneurs, who in return could offer benefits to the South African economy (Maumbe, 2013:1).

## **2.4 Restaurant franchises**

International Business Industry Statistics (IBIS World, 2010:21) charted the success of McDonald's growth, from opening their first store in 1948 to signing their first franchise agreement in 1954, to opening their first international store in Canada in 1976.

After entering the international market in the 70s, it experienced a high growth rate, opening 500 stores each year, including the first drive-through restaurant (opened near a military base, to serve soldiers not permitted to get out of their cars while in uniform), and selling more than 100 million hamburgers a year (Thompson, 2012:1). By 2012 McDonald's was a premier company with franchises in 119 countries, employing close to one million staff members and serving on average 69 million customers on a daily basis (Thompson, 2013a:3). Even though 750 restaurants worldwide were under-performing worldwide, it still opened 1 000 new restaurants in 2009, mainly McCafés that were opened in France and Germany. However Smith (2006:4) noted that McDonald's success was due to management's strong strategic planning, including becoming one of the world's largest owners of real estate, earning the majority of their profits through rentals and not food sales.

Orenhof (2013:1) and NRAUS (2013a:1) reported stronger same-store sales and higher customer traffic levels in the USA and worldwide. This resulted in the Restaurant Performance Index (RPI) achieving a 14-month high, and growing from 92.7 to 101.8 percentage points between April–May 2013 (NRAUS, 2013a:1).

IBIS World (2010:26) reported that in 2010 restaurant leaders around the world could demonstrate similar performances, as restaurants like Starbucks had opened 16 858 stores since 1971, Burger King 11 952 stores since 1954 (serving 11 million customers each day) and Subway 33 048 stores since 1965.

Yum Restaurants International (YRI), initially owned by Pepsi (to use the restaurant outlets to sell their drinks), was sold to Tricon Global Restaurants in 1997 and operated restaurants like KFC, Pizza Hut and Taco Bell (YRI, 2013:1). It changed its name to YRI in 2002. From 2002–2011 it opened nearly 38 000 restaurants in over 120 countries.



YRI reported 13% growth in 2012, opening nearly 2 000 new restaurants, and earning a 22% return on invested capital; this placed them in the elite of high-performance companies (YRI, 2013:1).

Orenhof (2013:1) recognized that food service restaurants like KFC, Pizza Hut and Taco Bell have overcome many difficulties in their core expansion markets, but the challenges were even more significant considering that YRI regarded China as the perfect platform for growth, aiming to becoming the number one food-service operator in emerging markets. Yum brands also demonstrated strong strategic planning in opening a KFC, Taco Bell and Pizza Hut under the same roof, making it more tempting for consumers to visit because of the wide selection of menu items available (IBIS World, 2010:6). Novak (2013:1) described how YRI strategically used the international expansion of their KFC and Pizza Hut brands to demonstrate a strong track record of growth and expansion.

Franchises constantly implement clever strategic measures to ensure strong growth and that they stay ahead of their competitors. *Foxnews* (2013:1) reported how food giants spend years of research to identify opportunities and in developing new products and concepts to ensure their continuing success.

Locally, these promising opportunities prompted Famous Brands to plan to open 25 new Turn and Tender Steakhouses in South Africa over the next five years, and Bread Basket Delis in Durban, Bloemfontein, Nelspruit, East London, Port Elizabeth and Cape Town. A strong demand for South African restaurants internationally led them to plan to open Steers franchises in the United Kingdom, and Debonair's pizza outlets in India (Fin24, 2013a:1).

Spur has proven that South Africans have a healthy appetite for restaurants that offer value for money, as they experienced a strong 13.7% growth in turnover, driven mainly by aggressive marketing and momentum built in the breakfast market. Panarotti's lifted restaurant sales by 30.6% and John Dory's Fish Grill Sushi restaurants established an increase of 11.9% in turnover (Fin24, 2013a:1).

Not all restaurant chains experience positive growth trends: all eight restaurants of Moyo, situated in the Western Cape, KwaZulu-Natal and Gauteng, had to initiate voluntary business rescue proceedings in October 2013 (Fin24, 2013b:1).

Haq (2013:1) reported that many franchisers considered the middle-class as a priority market because they tend to spend more on restaurants. The restaurant industry attempted to respond to changes in consumer preferences as consumers became more health-conscious (IBIS World, 2010:5).

Franchisehelp (2013:4) noted that since 2004, restaurants have realised customers are becoming more aware of the quality of food that they consume; hence restaurants must exercise a stronger focus on ensuring that they exceed customer expectations of quality of food and service levels.

Obtaining a restaurant franchise could offer many benefits to an entrepreneur, such as built-in marketing, strong resources, and name recognition (Writing, 2013:1). This prompted the researcher to consider that students graduating with a NDHM:FB may have a better chance of being able to open a franchised restaurant, instead of a privately-owned one. This can be seen in the questionnaire where students are asked to respond to the question of the type of restaurant they would like to open in the future.

## **2.5 Employment opportunities offered by restaurants**

Many South Africans were hopeful that hosting the 2010 soccer World Cup would decrease the high unemployment level in South Africa, the total of unemployed people actually increased from 24.7% in 2010 to 29.8% in 2013 (Stats SA, 2013b:5). However, over part of this period, 2009 to 2012, the restaurant industry became an attractive option for job-seekers as it added 17% more wage and salary jobs each year, while businesses in all other sectors had to retrench staff (O'Dell, 2013a:1), and entry levels for work in restaurants generally were easy to obtain for people with a basic education (SADTI, 2013:22). *Your Business* (2011:10) noted that the most active businesses were franchised, fast-food and restaurant outlets, and these alone employed more than 42 000 people.

Restaurants globally created more jobs. In the US, New York City alone hosts over 15 000 restaurants, which employed more than 165 000 staff (The Restaurant Opportunities Center, 2005:3). The restaurant industry in the US employed 13.1 million people in 2013, nearly 10% of the US workforce (NRAUS, 2013a:1). The British Hospitality Association (2010:1) reported that the hospitality industry sustained 61 000 jobs in Europe and contributed an average of 4.2% total investments in the economy. According to The National Restaurant Association of Ireland (NRAI, 2013:2) over 2 500 restaurants were operating in Ireland, which employed 64 000 people (1 in 4 tourism jobs) and contributed €2 billion each year to the Irish economy.

Direct jobs in the hospitality industry were forecasted to grow from 2.15 million to 2.66 million by 2015 and if the restaurant industry maintained its strong growth, it would be able to ensure strong employment growth for many unemployed people whose skills profile would be sufficient to match the needs of the hospitality sector (British Hospitality Association, 2010:1).

Schlosser (2014:15) agreed that successful restaurants made an important contribution to creating jobs and contributed to the recovery of weak economies as the restaurant industry pays a fair wage to employees based on their experience and skill sets.

However Littlejohn and Watson (2004:409) noted the restaurant sector was generally seen as a pleasant industry to work in, but it was also a demanding industry with long working hours, repetitive work, and low pay, and many people with the required knowledge and skills left the industry. Horng and Lin (2013:61) argued that the restaurant industry faced continued challenges from employee incompetence due to lack of motivation or insufficient training opportunities. Comparing the restaurant industry to other industries, they identified it failed to provide enough career development for staff, because most businesses were small and medium-sized enterprises unable to invest sufficient money, time, and resources in staff, resulting in it often being unsystematic and inconsistent, leading to employees being incompetent and causing high staff turnover.

## **2.6 Entrepreneurial opportunities**

According to Schramling (2009:1) there is always the possibility for a restaurant to succeed as long as the restaurateur ensures that the food and service are reliable and fairly priced.

Having a fair selection of good successful restaurants contributes to making a destination more attractive for tourists, as tourists seek to experience the culture and cuisine of their preferred destination (SADTI, 2013:8). O'Dell (2013a:1) noticed that regardless of the general economic picture South Africa had been attractive for tourists, creating good opportunities to make money for quick-service restaurants, especially if restaurateurs were able to offer exceptional value for money (O'Dell 2013a:1).

Maumbe (2013:1) added that the tradition of South Africans dining at home was decreasing as more households chose to dine at restaurants, due to globalisation and westernisation of diets.

The motivation for entrepreneurial activities is to make a profit. Entrepreneurship causes changes in the economic system through the innovations of individuals who respond to opportunities in the market, and in the process, entrepreneurship creates value for the entrepreneur and for society. If for no other reason, growing a business is important because it creates large numbers of new jobs (Niemand, 2009:3).

O'Dell (2013b:1) argued that even though restaurants are considered high risk investments, they can pay off financially provided the restaurateur opens the right restaurant for the right target market. Joseph (2013:1) noted opening a restaurant was considered a high risk because of the high start-up costs that could be in the millions. Both buying an existing restaurant that has been in operation longer than three years, and building one from scratch, had their challenges: when buying-in, the challenges include negative consumer perceptions; when building, additional costs are incurred that come with having to furnish all the equipment and build a reliable reputation. Schramming (2009:1) observed that the interaction on social media including Twitter and Facebook was a useful way to track business performance and customer reactions.

A future restaurateur should ensure success by finding ways to seize environmental opportunities, counter threats, and by being able to adapt to constantly changing environments (Gauthier, 2013:11). Nessel (2013:1) emphasised that a successful restaurant needs to set up proper control and accounting systems, with strong control measures over food and beverage purchases and labour cost control. In successful restaurants, restaurateurs conduct proper analyses to develop new restaurant concepts that are viable and distinct in the marketplace, meet the requirements of their target market, ensure it is accessible, and staffed with competent employees (Camillo, Connolly & Kim, 2008:378).

Parsa et al. (2005:308) agreed that a restaurant location was vital for its success, as having the right location would help secure a competitive position within the marketplace. Gauthier (2013:3) observed that restaurants often have small margins and need to ensure that they are able to break-even by serving as many people as possible, because restaurant revenues are directly related to how many people go through the doors on a daily basis.

## **2.7 Restaurant success rates**

Even though the restaurant industry witnessed rapid growth across the world, expansion could easily result in a substantial number of restaurants going bankrupt (Gu, 2002:25). This was confirmed by White (2011:1) who stated that one out of every four restaurants closed down during the first year of operation, and 60% of restaurants are likely to close or change ownership after three years. Parsa, Gregory and Terry (2013:15) argued the restaurant industry had one of the highest failure rates amongst retail and service industries as 30% of restaurants fail during the first year of operation.

According to Parsa et al., (2013:15) the level of restaurant failures have fallen since 2009 due to the global economic recovery. Stats SA (2012a:2) disagreed, reporting that in June 2012 there were 45 more voluntary and 12 more compulsory liquidations and insolvencies recorded compared with June 2011. Von Ulmenstein (2013:1) determined that 89 restaurants closed down in Cape Town from January 2013–September 2013; one of the main causes of restaurant closure being excessive rents businesses were required to pay to property owners (Von Ulmenstein, 2013:1). Camillo, Connolly and Kim (2008:367) identified that the restaurant industry's failure rate resulted from restaurateurs that underestimated the difficult business environment.

Von Ulmenstein (2013) recommended that future restaurateurs should study other restaurants and learn from their achievements and failures. Unfortunately South Africa did not perform detailed investigations on restaurant performance to ensure that preventative measures were implemented effectively to avoid restaurant bankruptcies (Gu, 2002:5). The lack of proper historical data on restaurant closures made it difficult to develop information for analysing and predicting bankruptcy in the restaurant industry (Gu, 2002:5).

Kwansa (1994:89) identified obtaining sufficient business financing was the most challenging problem in owning a business. Restaurants were highly competitive businesses, and running a successful restaurant involves much more than serving high-quality food; thus potential restaurateurs need to consider many aspects before committing to opening a restaurant (Joseph, 2013:1). Parsa et al. (2013:10) added that restaurant owners lacked the necessary business experience to manage their restaurants, and a lack of prior experience in a related field made new restaurants more vulnerable to failures.

Restaurants were most vulnerable during the first three years of operation, because new businesses typically have limited resources that would allow them to be flexible enough to adapt to changing conditions; they often had to juggle their resources and manage the movement of cash, people and assets. Suppliers and investors were prejudiced against smaller restaurants because they tended to have slow-paying habits, whereas larger restaurant franchises could guarantee stronger returns on investments, making it more likely for the larger firms to remain in business (Parsa et al., 2013:307). Camillo, Connolly and Kim (2008:365) noted that independent restaurants were more likely to fail than restaurant-chains which tended to have greater resources and networking systems, allowing them to establish brand recognition and a loyal customer following. Niemand (2009:23) agreed that the lack of resources was one of the main reasons for many business failures.

## 2.8 Restaurant challenges

Parsa et al. (2013:10), Bilderback (2008:70), Conza (2000:20) and Kwansa (1994:89) all agree that in most cases when entrepreneurs attempt to open a restaurant, the entrepreneur's passion exceeded their competence, as they often lacked experience and the necessary skills, such as understanding the intricacies of marketing, accounting, finance, legal matters, the ability to handle rapid growth and human resources. Small business restaurant owners are often unable to transform from entrepreneur into a professional business manager because they lack the basic branding skills necessary to prosper in the competitive restaurant world (Parsa et al., 2013:10). They often misdirected the business survival strategies in building their personal reputation rather than focusing on customer demands (Camillo et al., 2008:365). Parsa et al. (2013:14) argued that ultimately, the main reason why restaurants fail was due to restaurateurs not being able to differentiate effectively from their competitors and identifying customer demands.

Restaurateurs often struggle to understand and adapt to market trends, which change constantly, and some market trends were more difficult to foresee than others (Parsa et al., 2013:306). Also, a restaurant business requires substantial commitment and attention and restaurateurs are often unwilling to give the business sufficient attention, or were unable to maintain a healthy balance between the business demands and family demands. Maumbe (2013:1) agreed: people who open restaurants are often unprepared for the challenges of a start-up business; start-up costs are usually much higher than the new entrepreneur imagines, and it usually takes about three years to make a profit.

Smaller restaurants mainly struggled to survive as they generally have difficulty in raising capital because of their size, especially in bad economic times (Kwansa, 1994:89). Most South Africans had too little capital to self-fund their own business ventures and were simply not in a position to invest or save money. Because South Africans often had limited capital available in opening a small restaurant, this often resulted in the business not being able to survive the challenges it faced (Niemand, 2009:114).

Bilderback (2008:75) agreed that students/entrepreneurs were not prepared for the physical and mental demands of a real restaurant. Camillo et al. (2008:365) supported this, stating that students/entrepreneurs were often not aware of the level of commitment that was required, like long hours and high stress levels, which resulted in poor business practices and contributed to poor performances. Mealey (2013a:1) also proposed that restaurateurs needed to be more prepared about the amount of work and stress it entails in running a restaurant, as it is seen as more of a calling than a job.

Mealey (2013b:1) listed the main reasons why restaurants failed as:

- Poor location.
- Restaurant owners tended to pay other managers to do their job.
- Hiring poor management that was not capable to do the job.
- Not paying taxes and bills on time, causing heavy penalty fees and bad relationships with suppliers.
- Poor customer service.

## **2.9 Restaurant contribution to the South African economy**

Faced with a number of challenges such as poverty, the South African government revised the potential role that businesses could play in the economy (Petrus, 2009:1). Small and medium enterprises could serve as crucial engines of economic development and job creation, which could contribute to accelerating wider socio-economic developments (SEDA, 2012:5). Government aimed to promote the growth of small businesses in the hope of creating more job opportunities, to lower the unemployment and poverty levels (Small Business South Africa, 2013:1).

Tourism has been identified by CATHSSETA (2013b:1) and SADTI (2013:22) as one of the five leading sectors in the South African economy as a result of its economic contribution to job creation and its contribution to GDP.

Stats SA (2013a:3) reported the total income generated by the restaurant industry increased by 9.4% in March 2013 over March 2012.

Orenhof (2013:1) forecasted that the South African restaurant industry was expected to increase the number of employees to 14.1 million positions by 2020 because it was still one of the economy's top employers.

## **2.10 South African economic challenges**

Euromonitor International (2012:1) estimated that due to the constant increase in electricity tariffs, fuel costs, food costs, and toll road levies, South African consumers were expected to experience financial pressure and companies would struggle to achieve the same levels of growth experienced in 2010.

IBIS World (2010:4) recognized that the restaurant industry was battered by the weakened economy as the average consumer tended to spend less on luxuries, such as eating out in expensive restaurants, and when they did, they tended to purchase lower-priced items.

The restaurant industry was directly affected by factors in the labour market and unemployment that effected households' disposable incomes (IBIS World, 2010:13). Franchisehelp (2013:4) noted that even though the recession negatively affected the spending of customers, an increase in consumer visits to restaurants was still recorded, but people tended to choose cheaper restaurant options.

## **2.11 Impact of restaurants on the business sector**

The Department of Tourism (SADT, 2011:1) estimated that tourism's contribution to the economy in 2010 was about R57 billion, or 3% of South Africa's GDP, and a total of 599 412 people were directly employed by the tourism industry.

Tourism and hospitality industry growth was driven by an increase in travel and tourism with the total number of travelers in South Africa expected to rise from 15.4 million in 2011 to 16 million by 2016, which meant that travel and tourism was expected to contribute R161 billion, 3.5% of the total South African GDP by 2017. The government aims to increase the tourism industry contribution to the economy to R499 billion by 2020 (SADT, 2011:1).

The tourism sector is one of the most diverse and varied economic sectors, and includes all business and leisure/travel activities, such as restaurants, accommodation, and conferencing (CATHSSETA, 2013b:4).

The hospitality sector is labour intensive and contributes to a number of other economic sectors (SADT, 2011:1); it is also the largest in CATHSSETA's portfolio, comprising 77% of the entire hospitality and tourism sector, and includes 28 000 employers employing 290 000 employees.

Restaurants are by far the largest sub-sector in the hospitality sector. In 2009 there were 16 444 registered employees at 40 430 enterprises producing 45 000 jobs through direct employment, representing 7.6% of total employment in South Africa (Taal, 2012:3). The National Restaurant Association of South Africa (NRASA) (2013:1) expected the restaurant industry to grow between 2–4% per year from 2013 onwards. By taking an average annual growth of 3%, 246 new restaurants are expected to be added each year.

## **2.12 Hospitality graduate impacts and contributions**

Standard Bank (2010:1), First National Bank (2013a:1) and ABSA (2013:1) all confirmed that an individual with a qualification and experience is considered more likely to open successful restaurants, because they should be more of an expert in the division.



Obtaining a degree did increase graduates' success rates, as Stats SA (2013b:211) confirmed that people with a higher level of education were 25% more likely to secure a higher income after graduating. Sutherland (2013:1) argued that having a qualification and experience might not guarantee success, but could drastically increase chances of success.

According to The South African Graduate Recruiters Association (SAGRA) (2010:10) the general outlook for graduates was positive as most organisations were expected to increase graduate intake by 7%. But in Raybould and Wilkins' (2005:211) experience, most graduates have unrealistic expectations, and industry tends to criticise students' as having too little experience, despite their formal knowledge and skills. This was one of the main reasons why 50% of graduates leave the industry within ten years after graduating; they become frustrated with the higher skills learned at university which were not used by industry.

Williams (2008:5) emphasised that financial planning was crucial for succeeding in the business world, but few college graduates understood financial planning, which left them drowning in debt and preventing them from achieving their future goals. Williams also argued that even though most graduates looked forward to being financially independent and owning their own business, they did not have the knowledge and motivation to build good credit, avoid bad debt, and invest their money effectively.

### **2.13 Challenges experienced by graduates**

Littlejohn and Watson (2004:410) found that due to various socio-economic factors, students are often in debt prior to completing their studies, which puts them in a negative position when starting their careers. Pinto and Mansfield (2006:22) strongly agreed and blamed the growing gap between college tuition and a family's ability to pay, which caused the total value of financial assistance provided to students to triple; most increases being attributed to student loans.

Most students struggle to repay their educational debts, which after graduation often causes them to seek relief through default or bankruptcy (Pinto & Mansfield, 2006:22). However, Da Silva (2014:14) argues that having too much personal debt can point to lack of financial responsibility from the bank's perspective.

Watson (2008:764) found that educational institutions were placed in a difficult position as they were forced to cut costs and seek ways to streamline their operations. Hospitality organisations were also unable to attract, develop, and retain talented managers, because of a mismatch between educational inputs and operational practices, as continued success and growth of the hospitality industry was reliant on graduates with a secure future.

Therefore Watson (2008:764) argued that educators and industry should work together to make the restaurant industry a more attractive industry, through preparing the student's expectations correctly, and providing opportunities to develop skills and knowledge to build a long-term career.

## **2.14 Chapter Summary**

The literature review clearly demonstrates that regardless of the economic conditions, there was an opportunity for restaurants to be successful provided that they adjusted to these conditions successfully. The slower economy had been more advantageous for franchised restaurants than for privately owned restaurants. In return, fast-food franchises offered numerous contributions back to the economy through creating more jobs that had fewer entrance barriers.

The necessity to record details regarding the performance of private restaurants was identified, to enable South African restaurateurs to have access to current information regarding restaurant performance in South Africa. This information would equip restaurateurs better for possible challenges, including the facts that South African consumers are becoming more health conscious and vulnerable to expenses. Restaurateur's should realise that it takes great sacrifices, like working long, hard hours to maintain strong growth, and more emphasis should be placed on addressing students' false expectations in this regard. The possibilities that restaurants offer can be very rewarding, provided that the right attitude and strategic plans are implemented.

# **CHAPTER THREE**

## **THE CURRICULA OF SOUTH AFRICAN UNIVERSITIES OF TECHNOLOGY HOTEL SCHOOLS**

### **3.1 Introduction**

It was not until the mid-1960s that the restaurant industry received any consideration in research; it developed a desire to evaluate skills like communication, supervising skills and the ability to ensure customer satisfaction (Rahman, 2010:8). This chapter investigates the current curriculum followed by the universities of technology hotel schools in South Africa, as sampled through CPUT and CUT. It will examine the literature on the skills and knowledge perceived necessary to operate a commercial restaurant successfully; how the selected hotel schools ensure their curricula remain relevant; how the curricula of the hotel schools is assessed, and what factors are taken into consideration for the assessment.

CPUT's vision is to remain responsive to the economic and social needs of the Western Cape Province, and, more broadly, that its activities link to national needs, and the continuous need for social transformation in addressing issues of poverty alleviation, knowledge creation, and building a successful nation (CPUT, 2013:5). The CUT's vision is to achieve and maintain innovation and excellence in social and economic development (CUT, 2013a:1). Both visions are in line with hospitality industry requirements.

Managers within the restaurant industry often tend to criticise students because students have unrealistic expectations and often are not able to apply the skills and knowledge required to operate a restaurant (Purcell & Quinn, 1996:17). Parsa, Gregory and Terry (2013:1) agree, and found that the restaurant industry often undermines the formal qualifications offered by universities, as they believe students generally lack experience, especially in management positions despite formal qualifications. Rahman (2010:17) argued that most assessments of the curricula provided by universities focused largely on the level of preparedness that students perceived as necessary compared to industry expectations, but little consideration was given to the expectations of hospitality educators.

### **3.2 Skills, knowledge and attitudes required to manage a restaurant**

The only way to achieve success in operating a restaurant is to be committed, willing to work hard and make the necessary sacrifices (Conza, 2000.1). Even though it seems glamorous and fun to run a restaurant, it has always required dedication (Mealey, 2013d:1).

No matter how hard restaurateurs try, they can never be prepared for every eventuality; they can do nothing more than have a back-up plan for every possible scenario (Bilderback, 2008:71). Camillo, Connolly and Kim (2008:378) found that the challenges a restaurateur faces include issues of emotions or family-related issues, due to the heavy demands for time, effort and constant attention required by the restaurant business; key to managing the challenges are a formal qualification, industry experience and personal attitudes.

Conza (2000:1) argues that anyone can start a restaurant and even achieve temporary success, but only perseverance can lead to lasting success. Entrepreneurial skills can only be learned through taking risks, constant trial and error, self-teaching and getting help and advice from a selection of mentors, because the only thing that makes restaurateurs successful is the fact that they are motivated and determined in what they do.

Aspiring restaurateurs could improve their chances for success by managing the challenges effectively through creating a vision that is clear and well researched (Camillo et al., 2008:378). A successful restaurateur should be able to examine and evaluate broader issues involving in problem-solving and decision-making processes in the hospitality industry and they should be aware of external factors that could impact on their restaurant (Whitelaw, Barron & Buultjens, 2009:35).

Niemand (2009:19) found that from the decision to open a business challenges faced by small businesses become clear, and basic management principles have to be applied to determine in advance what the restaurateur would like to achieve, and how he/she is going to achieve this. The restaurateur should be able to ensure that the restaurant is different from any other comparable enterprise (Nieuwenhuizen, Le Roux and Jacobs, 2007:5). Mealey (2013a:1) and Sutherland (2013:1) emphasised the importance of a restaurateur being able to do everything from bookkeeping, to cooking, to public relations, marketing and must have good people skills, dedication and the willingness to work long hard hours, as the owner is responsible for the success of the venture.

Camillo et al. (2008:378) added that a restaurateur should be able to multi-task, solve problems effectively and be able to implement proper control measures on food and labour costs, employee turnover, ensure the food and service offered by the restaurant is consistent, stay focused on business performance and ensure resources are allocated appropriately. LeBruto and Murry (2013:74) identified skills such as being able to work under pressure, striving to achieve positive working relationships with employees, developing positive customer relations, effective communication skills, demonstrating poise and a professional appearance and being able to solve guest-problems with understanding and sensitivity as essential competencies for a successful manager.

Additional skills such as accounting and numeracy, computer literacy, small business management, marketing, and entrepreneurship, were found to be necessary to aid in implementing effective strategies, and supported decision-making (Whitelaw, Barron & Bultjens, 2009:35).

Small business entrepreneurs have to forecast the earnings for the planned venture to allow them to draw up financial statements and budgets, to measure standards against the business's performance. Once predictions are made it would be clear what its financial needs are, and which resources are appropriate to use to finance these needs. One of the most powerful tools a restaurateur could use in planning financial operations is a budget (Niemand, 2009:95). Organising the financial function of a restaurant should include proper record-keeping systems are in place to ensure cash transactions, debtors, creditors, stock and asset control are documented (Niemand, 2009:103).

Dopson, Hayes and Miller (2008:362) suggest that the income statement of a restaurant business is one of the key management tools in cost control. In addition to analysing the profit and loss statement, a thorough study has to be undertaken to assist in planning for profits, menu analysis, cost/volume/profit analysis and budgeting. They added that the restaurateur has to pay close attention to the profitability of the menu items sold, as well as the cost/volume/profitability analysis that deals with the sales and volumes required by the food-service.

Effective cost control allows restaurateurs to identify the outstanding revenue performers, and allows management to exceed guest expectations, as good managers learn to understand, control and manage their expenses (Dopson, Hayes & Miller, 2008:6). Over twenty years ago Kwansa (1994:93) stressed his concerns about students who harboured dreams of graduating from colleges to open a small restaurant, but who were not aware of the tough reality of obtaining the necessary financing.

The position remained unchanged in 2013, as Sessoms (2013:1) added that it was important to have sufficient funding to ensure that the business survives the start-up and running expenses for the first few years. Business growth must be managed and planned for financially, as the willingness to pursue growth could be limited if the necessary funds and resources are not available (Niemand, 2009:23). Camillo, Connolly and Kim (2008:374) added that successful operators always have clear business strategy, marketing plans, and financial resources.

Total quality management should be achieved through continuous improvement by identifying areas that need development and planning these improvements (Niemand, 2009:75). Besides being focused and dedicated, Harrison (2013:3) listed a further attribute necessary for the successful operation of a restaurant: proper knowledge and skills of relevant computer systems to ensure that effective cost controls, financial performances, and marketing measures are implemented, and to ensure that quality service is provided from the front-of-house and back-of-house staff. Having effective control measures allows restaurateurs to take the business to new heights through strategic planning and discipline (Harrison, 2013:3). Whitelaw, Barron and Buultjens (2009:35) stated that the most essential subjects to be taught in hospitality education should be marketing, management, food and beverage management, human resources management, finance and accounting. They noted that industry and educators consider traditional management skills of prime importance and agree that more emphasis should be given to teaching students how to apply problem solving, strategic planning, critical thinking, and visionary leadership skills as part of a curriculum.

The South African Qualifications Authority suggests that a person who completes a NDHM:FB should be competent in using basic managerial skills, including communication, technical, financial management, operations management and cooking skills (SAQA, 2013b:1). The South African Department of Basic Education (SADBE, 2013:7) requires that learners who complete a NDHM:FB are able to demonstrate sufficient skills and knowledge to set up venues, prepare a range of meals and perform the correct service.

On successfully completing a NDHM:FB at CPUT or CUT, the learner should understand basic restaurant infrastructure and procedures, be able to carry out basic food and beverage services, describe and prepare the layout of food-service areas, describe and perform basic service skills relating to food, illustrate and perform the catering/guest cycle and explain, prepare and render the required services related to a wide range of beverages (CPUT, 2013:1; CUT, 2013a:1).

### **3.3 BACKGROUND TO CURRICULA AT UNIVERSITIES OF TECHNOLOGY HOTEL SCHOOLS**

The skills and experience needed to operate a restaurant successfully were discussed above. In this section the curricula of the hotel schools is evaluated to measure whether they meet the restaurant industry's demands.

Smith and Cooper (2000:1) estimated that during the late 1990s, more than 120 million people worldwide were recruited to the hospitality and tourism sectors, and for this reason argued the importance of examining curricula of hotel schools to guide the curriculum development process for this industry. Bilderback, (2008:56) found that, unfortunately, most hospitality and tourism sectors share the opinion that hotel schools tend to produce snobbish, arrogant graduates who are unable to handle the pressure of the restaurant industry, as the curricula of hotel schools do not always address 'real-world issues'.

Kelly (2004:1) explained that a curriculum refers to the content that is chosen to be taught, and assessing of the curriculum is the process of gathering information as well as judging student accomplishments and success rates. Further, Kelly (2004:1) identified that an educational programme is required to develop and respond appropriately to all changes in an industry as well as understanding the educating process. Barrows and Bosselman (2009:5) acknowledged that hospitality training institutions were always tied to the industry for which the students are prepared, and hospitality educators are often caught between satisfying the requirements of academic institutions and meeting the needs of industry. Smith and Cooper (2000:1) believe that the only way hospitality education could meet the needs of hospitality stakeholders, was to implement professional training, and act to deliver a well-qualified workforce for the sector. Rahman (2010:8) supported this when stating that assessing the hospitality curriculum has become essential in preparing students for successful careers in the restaurant sub-sector. Hospitality management students should try to get as much hands-on experience in a restaurant environment as possible to ensure that they will be able to operate a restaurant successfully in the future (Kwansa, 1994:93).

The bodies responsible for post-school training standards are the South African Council on Higher Education (SACHE, 2013:1) which aims to develop well-educated and skilled students who are able to compete effectively in the economy, through creating a platform to integrate all higher education qualifications in the National Qualifications Framework (NQF). SAQA (2013b:1) was established by the Department of Education (DoE) in terms of Section 3 of the SAQA Act (Act 58 of 1995) to ensure the development and implementation of a NQF, which contributes to the full development of each learner, and to the social and economic development of the nation at large (SACHE, 2013:5).

The NQF sets a systematic framework for organising the education and training systems around the concept of learning outcomes. Outcomes-based education is about having systematic, focused, and consistent implementation of principles (SAQA, 2000:10)

Both the hotel schools involved in this research are accredited by bodies such as the SACHE, CATHSSETA, and the DHE, under the Skills Development Act (No 97 of 1998).

These qualifications are registered with SAQA, and are listed on the NQF, to ensure that students graduating with a NDHM:FB are trained to the highest possible standards (CPUT, 2013:1; CUT, 2013a:1). CATHSSETA's mission is to facilitate skills-development of all South Africans through implementing national skills development objectives that meet the requirements of the National Skills Development Strategy (NSDS, 2013:1).

Hospitality programmes in South Africa offer subjects such as accounting, finance, management and marketing, to prepare students for their future careers (Rahman, 2010:8). All training provided is recommended to be subject to quality control and to be compared to the best international standards (SACHE, 2013:1). CATHSSETA (2013a:1) supports these goals though ensuring that the skills taught to students are the definite skills required by employers and communities, as they regard it of little value to train people if they cannot use the skills they have learnt. Both CPUT and CUT also maintain appropriate relations with the hospitality industry to ensure that the training they provide is current. These hospitality studies require skills to be developed from the recommended courses: to develop fundamental skills and functional area skills (CPUT, 2012:1; CUT, 2013c:1).

### **3.4 The curricula offered by selected universities of technology hotel schools**

A strong demand for hospitality education was identified 20 years ago by Reigel (1995:35) who recognised a growing demand for hospitality workers, resulting in a shortage of skilled and specialised labour. Reigel (1995:35) added that the strong linkage that hotel schools have with the hospitality industry, and the diverse field requirements provided by the industry, created an opportunity for hotel schools to develop specialised programmes that enable students to learn multi-disciplinary skills. Therefore hospitality education is a multi-disciplinary endeavour that requires students to be able to apply different disciplines, and to focus on particular areas of application and practice in the hospitality and tourism industries.

The hospitality subsector is the largest sub-sector in CATHSSETA, and is the most labour intensive (CATHSSETA, 2013a). The South African tourism industry showed continued growth between 2012–2014, increasing employment approximately 6%, with a clear demand for well-qualified staff within the corporate and entrepreneurial sector (CUT, 2013c:1; CATHSSETA, 2013a).

The tertiary programmes offered by CPUT and CUT hotel schools give graduates a better chance of being employed and earning a higher income than candidates who only have matric (SACHE, 2013:33).



The curriculum followed by hotel schools in South Africa aims to give students career-orientated educational opportunities through making use of work-integrated learning, where students are required to work within industry to obtain practical experience and develop their managerial skills (Seager:2013:4). Both CPUT (2014:1) and CUT (2013c:1) offer a curriculum that revolves around the development of potential managers with a sound operational background, where the learner will be capable of applying a variety of analytical and operational skills.

Learning programmes form part of a curriculum that was developed with the guidance of SAQA (2000:4) within an outcomes-based educational framework. Learners who follow the curriculum have to demonstrate the learning outcomes identified in each subject to achieve a qualification registered at Level 6, with a minimum credit value of 360 on the NQF. CPUT and CUT curricula are structured with exit-level outcomes, specific outcomes, and assessment criteria (see Appendices D and E) which have credit values in line with these commitments (CPUT, 2014:1; CUT, 2013c:1).

Rahman (2010:24) explained that to develop the required skills, the courses needed to be analysed thoroughly, looking at the course descriptions, and the key skills, knowledge and competencies developed as curriculum variables.

The CTHS falls under CPUT and acknowledges that due to rapid change and growth in the restaurant industry, there is a strong need for regular review and revision of the programmes to bring them in line with the new trends (CPUT, 2013:13). To ensure that curricula remain effective and current with challenging industry demands, they are reviewed annually by a review team consisting of academic staff, the head of hospitality department, the school director, and industry representatives (CPUT, 2013:38); CUT, 2013c:23).

Both CPUT and CUT have assessment and moderation policies and guidelines to ensure that requirements are met on a constant basis (CPUT, 2008:13; CUT, 2013a:5). These requirements are determined by SAQA and other training quality-assurance bodies, such as the Education and Training Quality Assurance body (ETQA) in respect of assessment appeal, recognition of prior learning, moderation and verification (CPUT, 2008:13). Both hotel schools also use continuous evaluation as an assessment method, to ensure that the standards are upheld, through assessing on a continuous basis quality assurance files compiled for each subject each year, by the hotel school's head of department (CPUT, 2008:33; CUT, 2013c:8).

Many authors comment on the need for practical experience and learning: A hospitality curriculum should focus on providing students with a foundation that aids them in developing generic and transferable skills, while the industry should expose them to the practical aspects involved in operating a restaurant, by providing an opportunity for students to learn in real life; students should then reflect upon the reality of their studies (Whitelaw et al., 2009:35). To ensure that the training offered to students is effective and relevant to industry, it should ensure that students are able to apply classroom learning experience effectively within industry. This can be achieved by exposing students to different training opportunities and facilities and on-the-job training. Students need the required practical experience, and for this reason hospitality management training programmes require some form of practicum or internship as part of the curriculum (LeBruto and Murray, 2013:72). Practical experience has always been considered as an essential job requirement for hospitality educators across the world, due to the wide variety of job-positions in hospitality fields (Rahman, 2010:17). But educators often struggle to find the right balance in exposing students to practical and theoretical training which could leave students confused about the relevance of their studies (Whitelaw, Barron & Buultjens, 2009:35). For this reason, Rahman (2010:305) advised that hospitality curricula should make use of lecturers who are experts in both industry and academia to expose students to practical and theoretical training.

CPUT (2008:1) and CUT (2013a:1) reinforce theory with practical training and experience, as students of both hotel schools are trained in modern classrooms and computer laboratories, and in well equipped kitchens and restaurants, that are situated on campus and are administered by the students under supervised control of senior restaurateurs. These controlled environments allow students to apply their theoretical training such as planning a menu, management skills, culinary knowledge and skills, and knowledge of the legal and hygiene aspects of running a restaurant (Thompson, 2013b:1) within a practical environment.

Subjects like Food and Beverage practical and Work Integrated Learning aim to instill student values that are core to future careers such as accountability, responsibility, respect, trust and integrity (Janse van Rensburg, 2014:1); Seager, 2014:4). Whitelaw et al. (2009:5) stressed their concern that, although academics include restaurant management skills in the curriculum, graduates still tended to lack confidence and the required leadership and entrepreneurial skills. SACHE (2013:52) admits that South Africa tends to produce graduates that are not adequately equipped relative to industry intake requirements, and mismatches between industry demands and graduate attributes often occur. For this reason more experienced graduates are needed with strong disciplinary and professional capabilities to aid in creating jobs (SACHE, 2013:32).

Certain socio-economic factors affect performance in higher education, as a large majority of students came from low-income families, with minimal financial resources to support their pursuit of higher education, resulting in learners having to drop out. Another factor is that some students do not engage positively with their studies, causing their confidence levels and motivation to be compromised (SACHE, 2013:55).

### **3.4.1 Subjects offered by CPUT AND CUT**

Appendix D provides a detailed overview of the CPUT Hotel School curriculum, and Appendix E of that of CUT Hotel School. Subjects offered are briefly summarised here.

#### **3.4.1.1 Hospitality Management**

CPUT offers management training where the primary purpose is to enable students to access management principles in a clear and informative manner by meeting the following subject:

- Understanding business ethics.
- Demonstrate and execute the human relations skills (both technical and personal) for effective use in the business environment, and
- Use the code of conduct (decision making, delegation, and leadership skills) to contribute to the growth of the business and develop an environment of fair and consistent application (Collier, 2014:3).

CUT acknowledges management as the act of getting people to work together in achieving goals, and entails being able to apply different organising, staffing, and directing skills to cover a selection of challenges such as motivating staff, handling conflict, operational planning and communication. CUT aims to prepare students through teaching knowledge in the basic principles of management and leadership. These principles deal with how to plan, organize, lead, and control clients, staff, infrastructure, productivity and service (Rass, 2013:3). CUT hospitality management includes:

- Demonstrate a basic understanding of broad supervisory and basic management principles and concepts as well as the ethics applicable to the hospitality industry.
- Demonstrate a basic understanding of the interrelationship between the different components of the hospitality and tourism industry (Rass, 2013:1).

#### **3.4.1.2. Financial Management**

Hospitality Finance at CPUT aims to equip students with the knowledge and skills necessary to enable them to apply basic accounting principles, and use a range of financial management tools to contribute to effective decision-making, understand how to

communicate effectively in a business environment through the language of accounting, and to appreciate the integrated nature of financial cost and management accounting. The specific outcomes for hospitality finance include:

- Demonstrate an understanding of the basic hospitality accounting principles and Generally Accepted Accounting Practice (GAAP).
- Know the different types of ledgers and when they are used.
- Understand and prepare reconciliations used in month-end accounting procedures.
- Understand the use and purpose of control accounts (Davids, 2014:6).

Having at least a basic knowledge of accounting ensures that the decision-maker understands the information in financial reports sufficiently to make rational decisions. For this reason CUT has an exit level outcome in Hospitality Financial Management which aims to enable students to apply basic hospitality accounting principles (Coughlan, 2014:3). The specific outcomes for this course include:

- Explain why it is important for hospitality managers to understand the basic theory and practice of accounting.
- Explain the use of generally accepted accounting practice.
- Describe the components and interrelationship of the different categories of accounting (Coughlan, 2014:5).

### **3.4.1.3. Food and Beverage Studies**

CPUT's primary goal is to present the study of food and beverage in a clear and informative manner, as the specific outcomes for Hospitality Food and Beverage Studies show:

- Understand basic restaurant infrastructure and procedures in order to carry out basic food and beverage service.
- Prepare and describe the layouts of food service areas.
- Describe and perform basic service skills relating to food.
- Perform and illustrate the catering/guest cycle.
- Demonstrate basic theoretical and practical knowledge of the origin, production methods and service skills related to alcoholic and non-alcoholic beverages.
- Explain, prepare and render the required service related to a wide range of beverages (Naku, 2014:3).

Students are also required to complete Food and Beverage practical which requires them to demonstrate their ability to operate within management positions both front of house and back of house, plan and prepare for functions, and manage the kitchen and restaurant floor during a function (Janse van Rensburg, 2014:5).

Students completing the Food and Beverage Studies course at CUT would be able to demonstrate practically what they have learned on topics such as personal hygiene and grooming, appropriate behavior in the restaurant, setting up various table settings, restaurant set up, operating restaurant equipment, and the duties and responsibilities of different staff members. The specific outcomes include:

- To prepared and describe basic layouts of food service areas.
- Described and perform basic service skills, and
- Demonstrate basic theoretical and practical knowledge of the origin, production methods as well as service and control skills related to alcoholic and non-alcoholic beverage (Mavuso, 2014:2).

#### **3.4.1.4. Hospitality Industry Law**

Hospitality Industry Law at CPUT teaches students how to set up and run a hospitality business through providing them with practical steps of what to do to start trading, how to choose the right type of business venture, and how to protect their personal assets in the event that the business fails. After completing the subject, students should know the advantages and disadvantages of starting and running different types of business, the channels to follow if they do decide to open their own business, and have a good understanding of the certificates, licenses, and approvals that they will need to comply with the laws protecting guests who receives their hospitality services. CPUT also aims to provide students with general knowledge of hospitality-related laws. Specific outcomes include:

- Experience a clear introduction of the South African labour law.
- Understand the Basic Conditions of Employment Act and the Labour Relations Act.
- Develop knowledge about the Unemployment Insurance Fund.
- Demonstrate the understanding of occupational health and safety.
- Understand skills development and affirmative action (Kerr, 2014:6).

CUT aims to familiarise students with the laws applicable to the formation and management of an enterprise in the hospitality industry. CUT exit level outcomes aim to ensure that students are capable of using a range of business management skills to contribute to effective formation and management of the hospitality enterprise. Assessments are conducted through tests, assignments, exams, and continuous evaluation, based on the following specific outcomes:

- Discuss the impact of the Liquor Act, the Tobacco Controls Act, and South African food legislation on hospitality enterprises.
- Discuss the different business structures available to entrepreneurs.

- Identify the different legal requirements (licenses, signage, Receiver of Revenue) required to manage a hospitality enterprise, as well as insurance options available to entrepreneurs.
- Interpret and implement the legislation applicable to the management and development of human resources in the hospitality workplace.
- Explain the effect of common law and the Labour Relations Act on the Hospitality Industry (Coetzee, 2014:3).

### **3.5 Chapter summary**

This chapter reviewed the specific knowledge and skills needed to operate a commercial restaurant successfully, and compared the required skills with the curricula taught by the participating hotel schools. The researcher identified how the hotel schools evaluate their curricula to maintain their competitiveness.

In the next chapter the researcher will discuss the research methodology, techniques, and layout of the questionnaire.

# **CHAPTER FOUR**

## **RESEARCH METHODOLOGY**

### **4.1 Introduction**

This chapter outlines the research methodology, techniques, the population, sampling, and ethical considerations. The research was conducted at three levels and the research methodology will therefore be discussed in three phases.

In Phase 1 data was collected by making use of qualitative research, through conducting a literature review and interviews with focus groups. Prior to conducting the interviews and distributing questionnaires, pilot studies were conducted to verify the data collection instruments and identify problem areas. The surveys conducted through the questionnaires allowed the researcher to contextualize, the research problem, research aims and objectives and to answer the research questions by analysing, and interpreting, unstructured data. Conza (2000:1), Gu (2002:3), and Gauthier (2013:5) define a restaurant as “successful” once it has operated profitably for three consecutive years.

In Phase 2 the researcher conducted interviews with restaurateurs responsible for managing successful (by this definition) restaurants to canvas their thoughts on what skills and knowledge are required to open and operate a successful commercial restaurant. These restaurants will be discussed in more detail in Section 4.12.

A quantitative approach was followed during Phase 3 where a sample of third-year hotel school students of the CPUT and CUT completed a structured questionnaire regarding their perceptions of their capabilities across a range of variables. These responses were then quantified and analysed.

### **4.2 Constructing the research project**

The researcher argued the non-empirical study aspects through debating the relevance of the hotel school’s curricula in training students for employment in the hospitality industry, and identified that it remained a challenge for third year graduates to open and operate a successful commercial restaurant.

According to Welman and Kruger (2002:19), the purpose of research theories and research problems is to define, explain and consequently predict, and even modify or control, human behavior, its organisation, products, or events.

### **4.3 Research Questions**

Although a research project seeks to solve a single research problem, it is often too large to treat as a whole. Such is the case with the complex restaurant industry; therefore, following Woodbridge and Pretorius (2008:130), the problem was broken down into key questions (as presented in Section 1.6):

1. What are the aim and objectives of the current NDHM:FB programs of universities of technology hotel schools in South Africa, as sampled through the CPUT and CUT hotel schools?
2. Is there a demand for graduates to open a restaurant?
3. What knowledge and skills are required to open and operate a successful restaurant?
4. What can restaurateur do to ensure the success of their restaurants?
5. When is a restaurant regarded as successful?
6. What are to main reasons why restaurants fail?
7. Is the curriculum offered by universities of technology hotel schools in South Africa relevant to current trends in the hospitality industry?
8. Is there any area in the current curriculum offered by universities of technology hotel schools in South Africa that can be further developed?

### **4.4 Research Objectives**

The objectives of this study were detailed in Section 1.4, and are based on the research problem and study aim, to:

1. Identify the aims and objectives of the current programmes offered by universities of technology hotel schools in South Africa, as sampled through CPUT and CUT.
2. Identify the demand for graduates to open restaurants.
3. Identify criteria used in considering a restaurant as successful.
4. Investigate the main reasons why restaurants fail.
5. Investigate what skills are required to open a successful restaurant.
6. Identify how graduates can ensure their restaurants are successful.
7. Identify areas in the current curricula offered by universities of technology in South Africa that can be developed further to ensure they are relevant to the hospitality industry.



## **4.5 Qualitative and Quantitative research**

Qualitative and quantitative research methodology creates an opportunity where previously explained and unexplained resources can be investigated (Welman & Kruger, 2002:9). The research aimed to answer the research problem by obtaining the research data through the use of qualitative and quantitative research methods.

Qualitative research is a type of scientific research that entails collecting evidence to answer the research questions systematically, whereas quantitative research aims to explain a phenomenon through collecting numerical data that are analysed using the numerical data analysis techniques (Kumar, 2011:45).

The first stage of the research was qualitative in nature, as the research made use of in-depth interviews with focus groups and restaurateurs, with a standard interview schedule (Appendix F) regulating diverse answers from open-ended questions. Using qualitative research allowed the researcher to interact with the study participants in a broader and more spontaneous manner.

The second stage of the research was quantitative as the researcher presented a close-ended questionnaire (Appendix G) to third year students to ensure that all students' perceptions were measured on the same scale. Provision was made for respondents to comment on a question.

Quantitative research requires that the researcher ask participants the same questions in the same order (Kumar, 2011:46). Through implementing quantitative research, the researcher was able to form a meaningful comparison of responses across all participants, because all the participants' perceptions of their skills and knowledge were measured in the same manner to ensure that the assessment was consistent. Combining qualitative and quantitative research allowed the researcher to identify the factors that were affected, and then use that information to devise quantitative research that assesses how these factors would affect user performances (Modrigal & McClain, 2012:1).

## **4.6 Research design**

This interview schedule was used to guide the interviews conducted with the restaurateurs to compile primary data on what skills and knowledge were required for a third-year graduate to open and operate a successful commercial restaurant. This primary data was then used to compile a questionnaire which was used as a measuring tool to determine the likelihood of a graduate successfully opening and operating a commercial restaurant.

Research design can be used by researchers as a guide to obtain and collect information (Welman & Kruger, 2002:46). Research design has been described as a “blueprint for conducting a research study with maximum control over factors that might interfere with the validity of the findings” (Burns & Groves, 1999:195). Research design requires the researcher to analyse the field of the object of study following a three-level approach for field analysis (Bourdieu and Wacquant, 1992:104):

- Level one: The researcher analyses the research field.
- Level two: The researcher plots the objectives of the research to be conducted.
- Level three: The researcher investigates the different behaviors and habits of the research agents.

The researcher made use of this approach in conducting the research to ensure that all the objectives were met.

## **4.7 Population**

A population can be seen as collection of all the research agents (Polit & Hungler, 1999:37). Welman and Kruger (2002:46) posit that a population is the study object, which may be human products and events, individuals, groups, organisations, or the conditions to which individual groups are exposed; a sample is consequently obtained from the population. The population relevant to this research was university of technology hotel schools in South Africa that offer a three-year NDHM:FB. No private hotel schools were considered as part of the research population because of the difference in their curricula, and the specific requirements of the NDHM:FB which are not offered by private hotel schools.

## **4.8 Sampling**

Sampling can be seen as a collection of units that are selected from a population to study the population (Polit & Hungler, 1999:37). According to Kothari (2004:34), a sample design is a definite plan for obtaining a sample from a given population, and refers to the technique or the procedure that the researcher would adopt in selecting participants for a sample.

Kothari (2011:35) recommended seven points in considering the selection of a sample:

1. Defining the sampling universe.
2. Knowing what sampling unit to consider.
3. Identifying the required characteristics of the population that the sample would be selected from.
4. Determining what the size of the sample should be.

5. Determining the specific characteristics of the sample.
6. What the budgetary constraint would be in conducting the research, and
7. What type of sampling procedure will be used?

The researcher followed Kothari's recommendations in selecting two hotel schools in two different provinces of South Africa as the sample, namely the Cape Town Hotel School (based within CPUT) in the Western Cape, and CUT Hotel School in the Free State.

These hotel schools were selected as they were easy accessible to the researcher, and they were willing to assist in conducting the research. Both hotel school curricula have the same training programmes which allowed for a fair comparison of the two hotel schools. The researcher intended to measure the perceptions of their skills and knowledge by third-year students of the NDHM:FB from these selected hotel schools.

According to Greenfield (2002:194) the sampling method should be objective and should maximise the accuracy of estimation per unit as far as possible; this would require strict application of appropriate probability selection methods, which would then allow estimation of the accuracy obtained. Welman and Kruger (2002:46) and Latham (2002:2) agreed that there are probability or non-probability samples: a probability sample is used when random participants are chosen from a population or when each unit in the population has a non-zero possibility of being used in the sample (Greenfield, 2007:3). In a non-probability sample one cannot specify this probability insofar as it does exceed zero (Welman & Kruger, 2002:46).

In conducting qualitative research, there is no need to randomly select individuals because manipulation, control, and generalisation of the findings are not the intentions of this study (Streubert & Carpenter, 1999:11). The researcher selected hotels schools from two different provinces to ensure that the assessment would be representative and accurate. Snowball sampling was used for the restaurateur interviews as the participants nominated more participants who suited the criteria. The purpose method of sampling was also used (non-probability sampling), as the participants in the survey had to completed the NDHM:FB. By conducting non-probability sampling the researcher felt that the data and results would be more accurate as a specific group of individuals and universities was targeted.

#### **4.9 Focus Groups**

Clear parameters and perspectives about the topic were provided through the selected groups, who participated in formal interviews to obtain meaningful input regarding the research topic. Participants were asked the same questions (according to the interview

schedule, given in Appendix F), and were also required to give input regarding what questions they thought should be included in the interview schedule. These focus group-interviews interviews lasted about 30 minutes and discussions were recorded as input data. This process was used to ensure that participants were knowledgeable and experienced in the restaurant industry.

The focus groups comprised of:

- Senior restaurant managers, to obtain information to guide the researcher in compiling the interview schedule.
- Graduates of the NDHM:FB who had opened a restaurant, to determine how the National Diploma contributed to their success, or otherwise.
- Members of the two hotel school Boards who are known to be successful business individuals, to obtain their perceptions on the current curriculum prospects, and how they felt it was relevant to operating a commercial restaurant.
- Students currently studying to complete the NDHM:FB, to establish why the student decided to study the course, and what their future goals were.

Prahoo (1997:298) posited the following advantages of focus groups, which he regarded as being essential to use:

- They are cheap and effective to conduct.
- The participant, including the researcher, has the opportunity to ask questions, and
- The environment is less intimidating for participants, which allows them to answer the questions freely.

#### **4.10 Pilot Study**

A pilot study should be conducted to weigh the potential benefits against the potential drawbacks to allow the researcher to implement changes beforehand, should the need arise (Greenfield, 2002:233). Two different research instruments, the interview schedule and the questionnaire, required a pilot study.

##### *Pilot study for the interview schedule*

Pilot interviews were conducted using the data and information obtained from the focus group discussions. Five restaurant managers, who had successfully managed a restaurant for longer than three years, were selected. The conversations were recorded as minutes to form a control instrument. Each pilot interview lasted about 30 minutes where it was decided that some questions were repeated in the schedule, and others were not relevant and were amended. The information obtained from these pilot interviews was used to finalise the interview schedule.

### *Pilot study for the questionnaire*

Data from the interviews with the restaurateurs was used to compile the questionnaire which measured perceptions of their skills and knowledge of third-year students at CPUT and CUT. The pilot study on the questionnaires ensured that the questionnaire was user-friendly and relevant to the research objectives. Ten third-year students participated in the pilot study, where it was found that the questionnaire layout had to be slightly amended.

#### **4.11 Interview schedule**

A permission letter was signed by all restaurateur participants (Appendix C). It was used to explain the research and to assure participants that the information provided remained confidential.

The interview schedule (Appendix F) was compiled from the data obtained from the interviews conducted during the pilot studies and focus group discussions; it consisted of 45 open-ended questions. The researcher made use of open-ended questions to allow the restaurateurs to provide their personal, valued input regarding each question. These questions were recorded in the following main categories:

1. General information about the restaurant and background of the restaurateur.
2. Business strategy used the restaurateur to ensure the success of the business.
3. Business operation methodology.
4. Human resource requirements.
5. Financial requirements.
6. Marketing objectives.

#### **4.12 Conducting interviews with restaurateurs**

A total of 50 restaurateurs were approached of whom 38 responded, resulting in a 78% participation rate. Of the 38 participating restaurants, 15 restaurants were part of a franchise and 23 were privately-owned restaurants, all of which fell into either fine-dining, fast food or coffee shop categories. The researcher scheduled individual appointments with the restaurateurs which took about one hour each to conduct. Structured interviews were conducted where the researcher asked face-to-face questions from the previously compiled interview schedule (Appendix F), and recorded the interview responses.

The interview schedule was used as a control instrument to guide the interview and to ensure that all the interviews followed the same structure. Each restaurateur had the

opportunity to offer a personal opinion on what skills and knowledge were required to be able to operate a successful restaurant.

The restaurants that participated were located within the following areas:

**Table 4.1: Location of participating restaurants**

Area of restaurant	Number of restaurants per area	Type of restaurant	Private / Franchise
Bloemfontein	13	2 Fine dining 7 Fast food 4 Coffee shops	8 Private 5 Franchise
Cape Town	1	1 Fine dining	1 Private
Constantia	1	1 Fine dining	1 Private
Fishhoek	2	2 Fast food	2 Private
Kalkbay	2	2 Fast food	2 Private
Simonstown	3	2 Fast food 1 Coffee shops	3 Private
Stellenbosch	1	1 Coffee shops	1 Private
Tokai	10	7 Fast food 3 Coffee shops	10 Franchise
Welkom	5	4 Fast food 1 Coffee shops	2 Private 3 Franchise
Total	38	<b>4 Fine dining</b> <b>24 Fast food</b> <b>10 Coffee shops</b>	17 Private 18 Franchise

Source: Research construct

It was difficult for the researcher to persuade the restaurateurs to participate, as many had limited time available and were sometimes intimidated by the types of questions asked, especially regarding mode of operation. Nevertheless, participants answered the questions to the best of their ability, and it was clear that they were willing to help the youth of South Africa to plan for their future and help build a stronger economy.

A letter of agreement was signed by the participating restaurateurs (Appendix C) which stated their agreement that the information provided could be used in the research, and that their business names were to remain confidential as some of the topics discussed revealed sensitive information regarding the success of the restaurant.

#### **4.13 The Questionnaire**

Leedy & Ormond (2010:190) recommend the following guidelines when developing a questionnaire:

1. The questionnaire should be short and only questions relevant to the research should be asked.
2. Use simple, unambiguous language which is clear and straight to the point.

3. Check for unwanted assumptions in the questions.
4. The questions should not be worded in any way that might guide the participant to an answer, because this could lead to bias in responses.
5. The questionnaire should be consistent in wording, structure and responses.
6. The researcher should pre- determine how the responses will be coded.
7. The respondents' task should be simple.
8. The researcher should provide clear instructions in the questionnaire and should communicate exactly how the participants should respond.
9. Each question should be clear.
10. The questionnaire should have a professional layout.
11. A pilot test should be conducted to see if there might be any problematic areas, and
12. Analyse the final product to ensure that it addresses all the research problems and sub-problems that are to be addressed.

The researcher constructed the questionnaire based on these guidelines, and introduced the questionnaire with a brief introduction about the research study, the researcher's aim and objectives, and how the participant should complete the questionnaire. The questionnaire consisted of open- and close-ended questions and was distributed to third-year students hoping to graduate at the CPUT and CUT hotel schools. As the whole research was conducted over a two-year period the researcher was able to provide questionnaires for third-year students from 2011–2014. A total of 112 questionnaires were distributed and 73 were returned, giving an acceptable 65% response rate; 17 questionnaires were returned from CUT and 77 questionnaires from CPUT. The questionnaire is found in Appendix G.

The researcher used two ways to distribute the questionnaires:

Most third year students were able to complete the questionnaire in a classroom environment, which aided the researcher in controlling the environment, but some graduates were already working in the hospitality industry and the researcher had to e-mail the questionnaire to them.

However, a number of graduates did not respond during the time period allowed for data collection, despite regular phone calls to these students to follow up on the progress of the questionnaires, which motivated some participants to complete the questionnaires.

In completing the questionnaires, third-year students were required to assess their own skills and knowledge compared to the required skills and knowledge, as recorded on the interview schedules. Questions were designed to accurate measurement of the students' perceptions of their skills and knowledge.

The questions were developed to answer the research aim and objectives. Data obtained from the questionnaires were recorded on the Statistical Package for Social Science (SPSS) 20 program. The SPSS 20 provided the relevant statistical results.

Due to the wide diversity of restaurant-types a number of questions had to be included in the questionnaire which caused it to be longer than desirable, but it was regarded as necessary to ensure that all restaurant fields were accurately covered.

#### **4.14 Limitations of the research**

Because much of the required information was sensitive, restaurateurs hesitated to participate. Interviews took a long time to complete as proper detail about the required skills and knowledge had to be obtained. A number of skills and areas of knowledge are required for graduates to be able to open a successful commercial restaurant; for this reason the students' questionnaire was very lengthy.

There was a big difference in the number of CPUT (77) and CUT students (17) that participated in the research, making it challenging to conduct accurate research.

#### **4.15 Data collection**

Kothari (2004:95) stated that the task of data collection begins once the research problem has been defined and the research design planned. Welman and Kruger (2002:29) noted that there are two types of data collection, namely:

- Primary data, which is data that is collected for the first time.
- Secondary data collection, which is collecting data that has been collected by previous research.

The researcher obtained secondary data through literature reviews; this information aided the researcher to obtain primary data for an interview schedule. Data was recorded through taking notes during the interviews conducted with the focus groups, and the data obtained from the literature reviews. These notes were used to compile an interview schedule.

#### **4.16 Data analysis**

According to Conradie (2012:61) data analysis is the ability to understand and interpret data which has been collected. Therefore, the design of the study also concerns the statistical analysis and interpretation of the appropriate data obtained for investigating the research problem by measurement of variables (Welman & Kruger, 2002:218).



The researcher used the SPSS 20 program to analyse the data collected from the questionnaires given to third-year students. SPSS was selected as the software program to provide the required in-depth data access and preparation, analytical reporting and graphics.

#### **4.17 Research validity**

Constructed validity, which examines past research regarding different aspects of validity (Kothari, 2011:184) was used by conducting an in-depth literature review regarding restaurant business operations and hotel school curricula.

The researcher made use of validity measures to ensure that the research conducted had meaning, and to enable the researcher to answer the research questions accurately. To achieve content validity the researcher searched all restaurant industry and curriculum-related publications to ensure in-depth research; and conducted interviews with only those who had experience in their field of specialisation. The researcher also went through a process of pre-testing the interview schedule and the questionnaire, using pilot studies to ensure that no discrepancies occurred. Inter-rater reliability testing was used by the researcher through testing two universities in two different provinces to obtain a bigger research field.

Kothari (2011:192) stated that the research design should be classified into three categories (exploratory, descriptive and casual) as these can have an impact on the total success of the study and degree of control of the data. An exploratory approach was selected for the study to clarify the research problem and questions to investigate the ability of third-year students to run a successful commercial restaurant one day (Welman & Kruger, 2002:5). The qualitative data obtained from the restaurateur interviews was grouped into themes for analysing purposes.

#### **4.18 Ethical considerations**

Ethical approval was required due to the nature of the research. The researcher needed to promote the aim and objectives of the research respectfully, through ensuring that the knowledge obtained was reliable, objective, correctly accounted for, and used in a fair and confidential manner.

Both hotel schools were promoted in a positive light and participants were not forced to take part in the survey, and could withdraw from the study at any time.

No personal information was made known in any format and the participant's permission to take part in the survey was obtained. Permission to conduct the research was obtained from both CPUT and CUT.

#### **4.19 Chapter summary**

This chapter discussed a three-level approach for field analysis, which entailed analysing the research field, compiling and implementing the research plan, and analysing the perceptions of their skills and knowledge by third-year hotel school students.

A combination of the qualitative and quantitative research methodologies was used to ensure that the information obtained was relevant and accurate. The population consisted of only university of technology hotel schools in South Africa that offered a three-year NDHM:FB, and no private hotel schools were considered as part of the research population. Two hotel schools in two provinces of South Africa were selected as the sample, namely the Cape Town Hotel School, part of CPUT, in the Western Cape, and CUT Hotel School in the Free State, as their curricula have similar training programmes.

Literature reviews and focus groups were used to obtain primary data, which was then used to compile an interview schedule. This was used to conduct interviews with restaurateurs regarding their personal opinions on what skills and knowledge were required for a third-year graduate to be able to open and operate a successful commercial restaurant one day. The researcher was faced with a disadvantage as some restaurateurs with valued knowledge declined to assist as they were reluctant to reveal business secrets. The information obtained from these interviews was then used as secondary data to compile a questionnaire, used to measure the perceptions of their skills and knowledge by third-year students at and graduates from CPUT and CUT. Outcomes of the questionnaires were captured using SPSS 20 to analyse and present the data collected.

The data is presented and analysed in Chapter Five.

## CHAPTER FIVE

### DATA PRESENTATION AND ANALYSIS

#### 5.1 Introduction

The aim of the research was to investigate the relevance of the NDHM:FB curriculum in successfully preparing students to open and operate a commercial restaurant. This chapter presents the data collected from questionnaires completed by third year graduates at CPUT and CUT Hotel Schools.

The data is presented in themes, with the information interpreted at the end of each theme.

Table 5.1 shows the themes and their related questions, and the tables and figures that present this data:

**Table 5.1: Themes and related questions**

Theme	Theme description	Questions relating to theme	Tables and Figures related to theme
1	Students' perceptions of success	1 - 5	Table 5.2
2	The use of supporting computer systems	6.1 – 6.9; 7.10	Tables 5.3 – 5.5
3	Social skills	7.2; 7.3; 7.5 - 7.8	Table 5.6
4	Operation skills	7.1; 7.4; 7.9; 8.1 - 8.5; 8.8; 8.10; 8.11; 8.15; 8.16; 12.1 - 12.6	Tables 5.7 – 5.9
5	Financial skills	8.6; 8.7; 8.9; 8.12 - 8.14; 9.1 - 9.8; 10.2	Tables 5.10 – 5.13
6	Planning, strategy and implementation skills	10.1; 10.3 - 10.13	Tables 5.14 – 5.16
7	Marketing skills	11.1 - 11.5	Table 5.17
8	Restaurant opening skills	13 - 20	Tables 5.18 – 5.25

#### 5.2 Analysis of data

##### 5.2.1 Theme 1: Students' perceptions of success

The data analysis follows a consistent pattern: rationale, for the theme and discussion of the question, followed by the results and analysis. The questions covered in this theme were:

- Have you given any thought to why restaurants close down?

- Do you feel that you have the required skills and knowledge to successfully operate a commercial restaurant?
- Do you consider yourself as an individual that is willing to work on week-ends and public holidays?
- Do you know how to determine the likelihood that a business might be successful?
- Are you aware of the type of problems a restaurateur faces on a daily basis?

These questions were asked to determine how much thought students had put into operating a restaurant. Duraan (2013) argued that people should be aware of the reasons why restaurants close, to ensure that they “learn from past mistakes”. Du Preez (2013) added that knowing why restaurants fail will assist managers to discover their business idea’s strengths and weaknesses. Knowing the possible challenges restaurateurs may face could help one to develop better strategies on how to act in a similar scenario (Stone, 2013).

**Table 5.2: Theme 1 - Students’ perceptions of success**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>1. Students giving thought to why restaurants close down</b>	<b>Yes</b>	65	84%	15	88%	80	85.1%
	<b>No</b>	12	16%	2	12%	14	14.9%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>2. Students feeling competent to operate a commercial restaurant</b>	<b>Yes</b>	65	84%	9	53%	74	79%
	<b>No</b>	12	16%	8	47%	20	21%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>3. Students willing to work over week-ends and public holidays</b>	<b>Yes</b>	48	62%	9	53%	57	61%
	<b>No</b>	29	38%	8	47%	37	39%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>4. Students who know how to determine if a business will be successful</b>	<b>Yes</b>	32	42%	12	71%	44	47%
	<b>No</b>	45	58%	5	29%	50	53%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>5. Students aware of the types of problems a restaurateur faces on a daily basis</b>	<b>Yes</b>	61	79%	14	82%	75	80%
	<b>No</b>	16	21%	3	18%	19	20%
	<b>Total</b>	77	100%	17	100%	94	100%

With regard to Question 1, overall 85% of respondents acknowledged giving thought to why restaurants close, while 15% admitted not having thought about it. The results suggest that more than half of the students are aware of why restaurants close down. Given that 84% of CPUT students and 88% of CUT students had considered the reasons why restaurants close down, CPUT and CUT hotel schools appear to have made students aware that restaurants can close down. The curricula offered by both hotel schools cover the possible challenges students might face if they chose to open a restaurant.

Question 2 sought to determine how many students felt competent in running a commercial restaurant, as Ryan (2013) argued that the most important factors in running a restaurant successfully are to believe in oneself and to have confidence that one can make it successful. Van der Riet (2013) and Zanasi (2013) agreed that confidence is the most important skill a manager should have to run a restaurant successfully.

Seventy-nine percent of total respondents felt confident to open and run a commercial restaurant: 84% from CPUT and 53% from CUT. This indicates that the training provided by CPUT and CUT Hotel Schools enables the majority of students to develop confidence about their abilities.

Hard work is an essential element in success in the restaurant industry (Eichel, 2013). Bouwer (2013) compared opening a restaurant to adopting twins: always demanding full attention to grow, while Diamond (2013) argued that ensuring a restaurant is successful requires a manager to be willing to go the extra mile. Littlejohn and Watson (2004:5) concurred: Opening a restaurant can be demanding and requires working long hours, with repetitive work and little pay. Eichel (2013) also noted that the best opportunities to make money are when everyone else is not at work; even if the business is not trading at that time, managers may be in the office strategising for the future. Therefore Question 3 tested how many students were willing "to go the extra mile" by working over weekends and making sacrifices (such as working on public holidays) to ensure that the business would be successful.

Overall fewer than two thirds (61%) of respondents indicated willingness to work over weekends and public holidays, while 39% were not prepared to do so. Of those who responded positively, 62% were CPUT students and 53% were from CUT.

This number is unsatisfactorily low. Students need to be made more aware of the possible sacrifices choosing to open a restaurant would entail, especially since the researcher had established, when conducting interviews with restaurateurs, that most restaurants made the majority of their income after-hours, during holidays and over week-ends.

Question 4 sought to determine how many students knew what to look for in drawing up a “business idea” that would work, in light of Fryer (2013) and Appels (2013) asserting that knowing how to determine whether a business idea could be successful can help managers make informed decisions and invest their effort, and money, in the right ventures. Galvin (2013) agreed: One needs to be sure one’s “business idea” will be successful because opening a restaurant is risky and one invests a lot in it.

The results show that overall only 47% of students believed they knew how to determine if a business would be successful and 53% did not know. The results suggest that the majority of students did not feel competent in determining the likelihood of a “business idea” to work. Interestingly, 71% of CUT students but only 42% of CPUT students answered in the affirmative. Bearing in mind CUT’s smaller sample, the finding indicates that the training by CPUT and CUT hotel schools does not provide opportunity for graduates to build confidence in determining the possibility of a restaurant concept being successful.

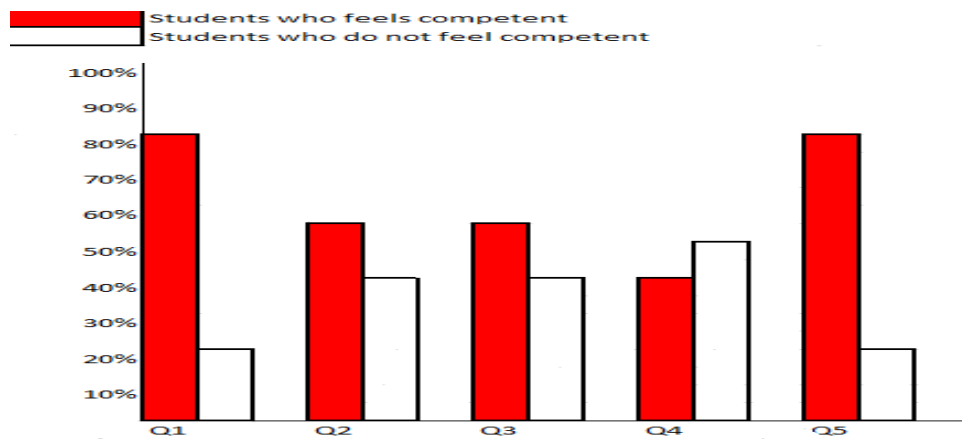
The final question was asked to determine if the students believed they were aware of the types of problems they might encounter if they ever chose to open a restaurant. Galvin (2013) asserted that in opening a restaurant one needs to know exactly what one will be getting into, to prepare as best possible. Knowing what types of problems restaurateurs generally face on a daily basis can help determine possible solutions for restaurateurs (Botes, 2013).

Eighty percent of the students (comprised of 79% CPUT students and 82% CUT students) believed they were aware, while 20% claimed they were not aware, of the types of problems restaurateurs face on a daily basis.

This result, together with that from Question 1, confirms that students believe the training provided by CPUT and CUT hotel schools is sufficient to make them aware of the possible challenges a restaurateur might face, which in turn should help them to manage these possible challenges better should they open a restaurant.

#### 5.2.1.1 Theme results and analysis

Figure 5.1 charts the results for this theme, which indicate that students possess the necessary perceptions about business success. Most students were aware of the factors that could cause a business to be unsuccessful, and were willing to make the necessary sacrifices to ensure their restaurant would be successful.



**Figure 5.1: Students' perceptions of success**

The major concern identified relates to Question 4: most students (53%) were not sure how to determine the likelihood of a business being successful, which puts them at risk of making the wrong decisions in choosing a business venture in the future.

Overall, the research determined that the curriculum offered by both CPUT and CUT hotel schools provides sufficient training to inform students about the reasons why restaurants close, the sacrifices it takes to open a restaurant, and the type of problems restaurateurs face on a daily basis. This learning in turn develops in students the confidence necessary to open a restaurant in the future.

Writing (2015) emphasised the importance of learning how to open a restaurant beforehand to increase the chances of business success. The food industry is a dynamic business as food is one commodity that people cannot live without and for any restaurant competition is fierce as business success is directly linked to maximising sales.

In general the students had a good idea about what it entails to open and operate a commercial restaurant, but based on the results obtained it was clear that the students did not always consider the true sacrifices required to open a commercial restaurant.

#### 5.2.2 Theme 2: The use of supporting computer systems

This theme covered students' belief in their overall technical skills and competency in the use of a variety of computer programs, some industry-specific, including

- Micros, a point-of-sale computer system used in most restaurants (Crawford, 2013; Meiring, 2013)
- Opera, a computer program used for reservations

- Fidelio, a business administration program best suited for smaller food and beverage operations, like restaurants
- GAAP, used in many restaurants for point-of-sale to staff wages and
- Pilot, also used by many restaurateurs for both back- and front-of-house functions.

Table 5.3 presents the results of the students' familiarity with these systems. This theme also looked at overall technical competency, and competency in using general computing systems (Word and Excel) and dedicated packages, including Pastel (for accounting) and a general payroll system; results of these questions are presented in Table 5.4.

**Table 5.3: Theme 2 – Students' perceptions of their competency in the use of industry-specific computer programs**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
6.1: Do you rate your-self competent in operating Micros?	Yes	64	83%	15	88%	79	84%
	No	13	17%	2	12%	15	16%
	Total	77	100%	17	100%	94	100%
6.2: Do you rate yourself competent in operating Opera?	Yes	66	86%	14	82%	80	85%
	No	11	14%	3	18%	14	15%
	Total	77	100%	17	100%	94	100%
6.3: Do you rate yourself competent in operating Fidelio	Yes	16	21%	5	29%	21	22%
	No	61	79%	12	71%	73	78%
	Total	77	100%	17	100%	94	100%
6.7: Do you rate your-self competent in operating GAAP?	Yes	18	24%	4	23%	22	23%
	No	59	76%	13	77%	72	76%
	Total	77	100%	17	100%	94	100%
6.8: Do you rate yourself competent in operating Pilot?	Yes	7	9%	10	58%	17	18%
	No	70	91%	7	42%	77	82%
	Total	77	100%	17	100%	94	100%

#### 5.2.2.1 Students' competency in the use of industry-specific computer programs

Given that Meiring (2013) claimed Micros is a point-of-sale computer system used by most restaurants, and therefore recommended learning to operate it, students' self-rated competency in this system was tested for first.



Crawford (2013) also supported the use of Micros as it can be used to manage point-of-sale, and other financial aspects of the business. Gerber (2013) argued knowing how to operate Micros will enable students to familiarise themselves better with other computer systems, as most are constructed on similar principles.

The majority of students (84% in total, representing 83% of the CPUT sample and 88% of the CUT sample) replied they did know how to operate Micros, while 16% said they did not. These results confirm that the curriculum offered by CPUT and CUT hotel schools equips students to operate Micros computer systems.

With regard to the Opera system, Meiring (2013) noted that restaurants situated within hotels often make use of this system as it is also used for reservations. Botha (2013) and Fyvaz (2013) affirmed Opera's use in most restaurants situated in hotels.

The results are very similar to those of Micros: the majority (85%) of students stated that they feel competent in operating Opera, while 15% stated they did not. Of those who answered positively, 86% were from CPUT and 82% from CUT. From this the researcher determined that the curricula offered by CPUT and CUT hotel schools provide sufficient knowledge on how to operate the Opera computer system.

For the Fidelio, GAAP, and Pilot computer programs, the results indicate that insufficient emphasis is placed by both hotel schools on training students on these less popular programs, despite their relevance, and design and cost-efficiency attributes.

Fidelio's F&B Management is a program developed to provide organisation and control of business administration, and is best suited for smaller food and beverage operations, like restaurants (Eichel, 2013). Pienaar (2013) and Prince (2013) indicated it is important for students to know how to operate Fidelio if they are considering working in a restaurant that is individually owned. GAAP is used by many restaurateurs to manage everything from point-of-sale to staff wages, and it is cost effective (De Bettencou, 2013). Slabbert (2013) argued that even though GAAP is not one of the most popular computer systems on the market, it is advisable to know the basics of each program to ensure that one selects a program that will be best suited for one's restaurant business. Steyn (2013) noted that Pilot is used by many restaurateurs for managing both back-of-house and front-of-house functions, while Hess (2013) argued it is ideal for both independent and franchise restaurant markets.

The majority of students at both hotel schools indicated they did not feel competent in operating Fidelio (78%), GAAP (76%), or Pilot (82%). The lack-of-confidence levels for Fidelio and GAAP at both CPUT and CUT were very similar (79/71% and 76/77% respectively), but in the case of Pilot there was a large discrepancy: 91% of CPUT students and 42% of CUT students stated they did not know how to use the Pilot program.

The results demonstrate that CPUT and CUT hotel schools place little emphasis on less popular computer systems that are also used in industry, even though these computer systems may be equally effective, relevant and less expensive to obtain.

#### 5.2.2.2 Students' technical skills and competency in the use of general computing programs

Questions 6.4 and 6.5 asked students to rate their competency in the use of basic general computer programs (Excel and Word – see Table 5.4), and Questions 6.6 and 6.9 looked at their competence in the use of an accounting and a payroll system (Table 5.5). Question 7.10 asked students to rate their overall technical competency. This is presented along with the data on general computer programs in Table 5.4.

Excel is a spreadsheet developed by Microsoft and aid businesses to control their costs effectively and obtain business information (Eichel, 2013). Zanasi (2013) added that Excel is useful in restaurants as it can be used to compile menus, schedules, or worksheets. It is also a cost-efficient program that can be used as a basic accounting program (Gerber, 2013). Steyn (2013) claimed that most restaurants use Microsoft Word for business operations, while Fryer (2013) and Snyman (2013) added it can be used to draw up menus, rosters, floor plans, and can be used in training staff to compile training manuals, tests and recipe cards. Fryer (2013) and Galvin (2013) noted that working in a restaurant includes a lot of technical equipment that can malfunction and is expensive to repair by external service providers. Being able to fix minor malfunctions (e.g. a printer or computer screen) would save time and money; the ability to repair minor malfunctions could help students to adapt easier to new computer systems when introduced to them (Galvin, 2013).

**Table 5.4: Theme 2 – Students’ perceptions of their technical skills and competency in the use of general computing programs**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>6.4: Do you rate yourself competent in using Excel?</b>	<b>Yes</b>	75	97%	17	100%	92	97%
	<b>No</b>	2	3%	0	0%	2	3%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>6.5: Do you rate yourself competent in using Word?</b>	<b>Yes</b>	74	84%	17	100%	91	96%
	<b>No</b>	3	16%	0	0%	3	4%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>7.10: Do you consider yourself to have basic technical skills?</b>	<b>Yes</b>	68	88%	14	82%	82	87%
	<b>No</b>	9	12%	3	18%	12	13%
	<b>Total</b>	77	100%	17	100%	94	100%

The results reveal that overall, almost all students (97%) felt competent in operating Excel: all students in the CUT sample responded affirmatively, and only 3% at CPUT indicated they did not feel competent in using Excel.

Similarly, the results show the majority of students did feel competent in using Microsoft Word, as, overall, 96% responded “yes” (100% of CUT students), and only 4% (all from CPUT) responded they did not feel competent.

More than three quarters of the students (87%) considered themselves to have basic technical skills while 13% did not. Substantial majorities at both institutions answered in the affirmative: 88% of CPUT students and 82% of CUT students.

The results indicate that the curriculum offered by CPUT and CUT hotel schools equips students with technical skills and to use both Excel and Word, which will enable them to draw up spread sheets, financial reports and documents and communicate effectively in the business environment. However, both these programs are taught at many schools, so many students are likely to have had exposure to these programs before entering hotel school.

#### 5.2.2.3 Students’ competency in the use of dedicated accounting and payroll programs

Regarding dedicated accounting and payroll packages, Ilo (2013) and Diamond (2013) agreed it is essential for a restaurant manager to know how to use Pastel as it is helpful in managing business accounting and producing financial reports.

Fryer (2013) advised that an overview of general payroll systems is useful as they can aid in managing small business finances and give instant access to customer, supplier and employee information. Gwatiolo (2013) and Galvin (2013) recommended that students should know how to operate general payroll systems as they can help a restaurant manager ensure proper record keeping.

**Table 5.5: Theme 2 – Students’ competency in the use of dedicated accounting and payroll programs**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>6.6: Do you rate yourself competent in using Pastel?</b>	Yes	16	21%	4	24%	20	21%
	No	61	79%	13	76%	74	79%
	Total	77	100%	17	100%	94	100%
<b>6.7: Do you rate yourself competent in using a payroll system?</b>	Yes	37	48%	3	17%	40	42%
	No	40	52%	14	83%	54	58%
	Total	77	100%	17	100%	94	100%

The results show that, overall, the majority of the students (79%) did not feel confident in operating Pastel, and 58% did not feel comfortable in operating general payroll systems. At the hotel school level, only 21% of CPUT students and 24% of CUT students reported feeling confident in operating Pastel, and 48% and 17% respectively in using a payroll system.

These results show that insufficient training is provided in the curriculum of both hotel schools in the use of these types of programs. This may cause students to have limited skills in administration, including payroll systems, and to struggle to manage certain financial aspects and growth of their businesses.

Based on the fact that a fair number of restaurants that do make use of Pastel and payroll systems, it is advisable for CPUT and CUT to reconsider the amount of attention given to these in developing students’ knowledge about accounting and payroll programs.

5.2.2.4 Theme results and analysis

The results should be seen against the background of the importance of computers in the hospitality industry, and the projected impact of technological innovation on this sector.

Koutroumanis (2011) argued that technology has played, plays, and will continue to play key strategic roles in the growth and progression of restaurants as computer systems are used throughout the restaurant industry to track sales, food inventory and cash flow.

Computer systems also simplify communication between the kitchen and the front-of-house staff and can keep proper track of food usage, prepare payroll and can save a restaurateur money in the daily operations of the restaurant and in the bookkeeping department (Mealy, 2013b).

Tremendous growth in computer technology has occurred within the last ten years as strong emphases are placed on ‘time-saving’ and ‘labor-saving’ technologies (Koutroumanis, 2011) The National Restaurant Association of South Africa (2013) confirmed that technology will be one of the largest developments in the restaurant industry resulting in rapid innovation in the future as strong growth of technology in South Africa was recorded in the following ways:

- Tablets that allow customers to order directly from their tables to save time;
- Google glasses to aid in facial recognition, which could assist bartenders to find guests in a crowd quickly;
- Cellphone apps will allow customers to order meals from their phones; and
- Apple Pay will allow customers to pay with a touch on an iPhone.

Figure 5.2 shows the cumulative results for this theme.

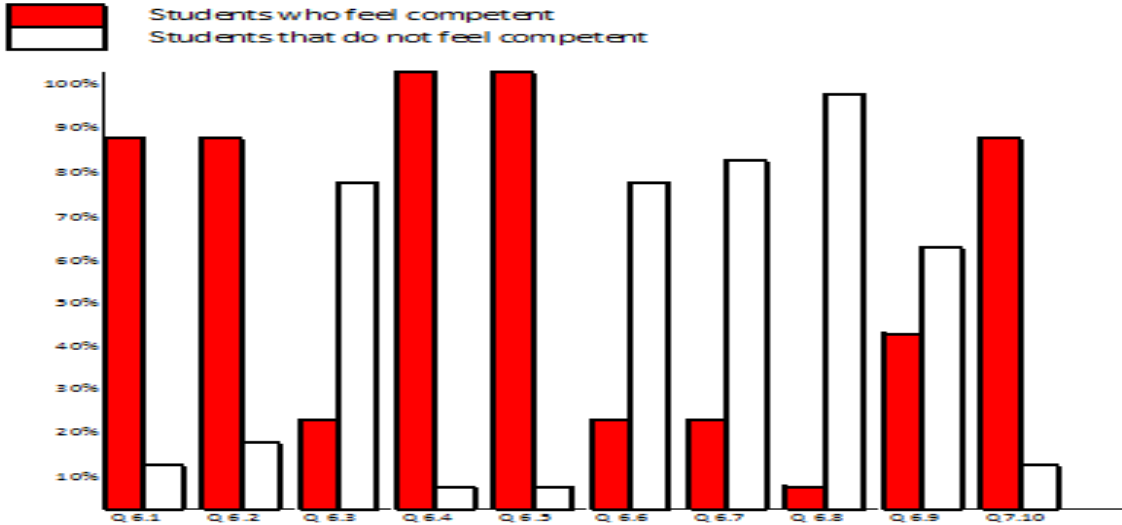


Figure 5.2: Students’ levels of confidence in technology skills and computer systems

Overall, the majority of students did feel confident in using some supporting computer skills, including operating computer programs such as Micros, Opera, Excel and Word, but most students did not feel competent in operating industry-specific programs like Fidelio, GAAP, and Pilot, or accounting programs like Pastel, and general payroll systems.

From these results the researcher determined that the curriculum offered at CPUT and CUT did not make sufficient provision for students to learn to operate these other computer systems that might be more useful in managing staff-related issues and business accounting.

Considering the positive median of 57% in responses, the researcher concludes the curricula is sufficient in operating general computer programs, but there is room for improvement in training on industry-specific, accounting and payroll programs.

### 5.2.3 Theme 3: Social skills

Five questions were asked to assess students' perceptions of their ability to work alongside people in different capacities, as customers and team mates; their general communication skills, personal orientation towards their chosen career, and leadership skills (Table 5.6). A number of interviewees concurred that being an effective restaurant manager requires one to deal with different types of people and it is essential to maintain good relations and have good people skills. Good people skills can help a manager build strong relationships with customers, staff and suppliers (Crawford, 2013; Duraan, 2013; Homes, 2013).

**Table 5.6: Theme 3 – Students' perceptions of their social skills**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
7.2: Do you rate yourself competent in people skills?	Yes	75	97%	17	100%	92	97%
	No	2	3%	0	0%	2	3%
	Total	77	100%	17	100%	94	100%
7.3: Do you rate yourself competent in dealing with customer complaints?	Yes	68	88%	16	94%	84	89%
	No	9	12%	1	6%	10	11%
	Total	77	100%	17	100%	94	100%
7.5: Do you rate yourself competent in being able to work effectively in a team?	Yes	76	99%	16	94%	92	98%
	No	1	1%	1	6%	2	2%
	Total	77	100%	17	100%	94	100%
7.6: Do you rate yourself competent in communication skills?	Yes	74	96%	14	82%	88	93%
	No	3	4%	3	18%	6	7%
	Total	77	100%	17	100%	94	100%

<b>7.7: Do you consider yourself to have personal orientation?</b>	<b>Yes</b>	71	92%	15	88%	86	91%
	<b>No</b>	6	8%	2	12%	8	9%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>7.8: Do you consider yourself to have sufficient leadership skills?</b>	<b>Yes</b>	72	94%	14	82%	86	91%
	<b>No</b>	5	6%	3	18%	8	9%
	<b>Total</b>	77	100%	17	100%	94	100%

Not surprisingly, given their choice of study in the hospitality industry, 97% of students felt that they have good people skills. Those 3% who responded “no” were all students at CPUT. These results indicate training provided by both CPUT and CUT is sufficient to ensure that students have the necessary confidence in their people skills.

Zanasi (2013) stated it is essential to deal with customer complaints effectively as customers are likely to remain loyal if they feel their complaints have been attended to; and complaints are also a great source of valuable information about your business. De Bettencou (2013) and Botes (2013) agreed that being able to deal with customer complaints effectively ensures that a restaurant builds good relationships with loyal customers.

Overall, a resounding 89% of students felt they are able to deal with customer complaints effectively. Only 10 students (11%) responded “no” to this question; of these, nine were part of the CPUT sample. The findings suggest that both CPUT and CUT provided sufficient training to ensure that the students are confident to deal with customer complaints.

Homes (2013) asserted that teamwork is vital to the success of a restaurant and to the development of each employee. According to Stone (2013) being able to work in a team is important for encouraging creativity in the workplace, improving quality of work and also healthy employee relationships.

This question received an overwhelming “yes” reply: 98% of students feel confident of working in a team. The research demonstrated that both hotel schools make provision for students to develop the ability to work in a team.

Bouwer (2013) and Gwatiolo (2013) agreed it is vital for a restaurant manager to be able to communicate effectively with both staff and customers, because good communication helps to decrease barriers between staff, customers, and managers.

Overall, a substantial majority of students (93%) felt confident in communicating effectively in the workplace, while 7% responded negatively.

The findings indicate that the curricula training content provided by both hotel schools is adequate in ensuring that students have the necessary confidence to communicate effectively with customers, staff and suppliers.

According to Bouwer (2013) being a restaurant manager means that one should have the right values to drive the business forward and to set good standards for employees. Zanasi (2013) added that having good personal orientation skills entails being a self-starter, which is necessary to ensure that a restaurant manager stays motivated and positive at all times.

The results indicate that the majority of students thought they have good personal orientation that will enable them to set high standards, as 91% stated they felt confident and only 9% answered negatively.

As 92% of CPUT students and 88% of CUT students were positive about this question, the research strongly suggests that the training offered by both hotel schools helps ensure that students have a good personal orientation so they will be able to create the right impression on potential customers, financial investors, and suppliers.

Homes (2013) defined good leadership skills as including motivating staff, being able to deal with stress, and finding ways to make business operations easier. Zanazi (2013) and Meiring (2013) stated that it is essential for a restaurant manager to have good leadership skills to take the business to new heights.

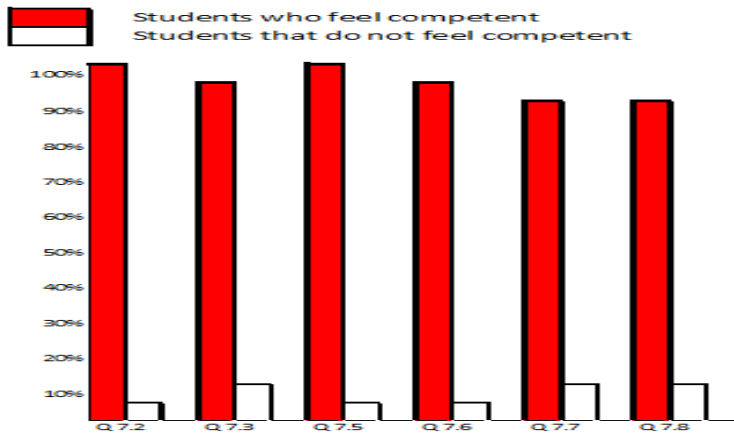
The results indicate that the majority of students (91%) consider themselves to have good leadership skills and only 9% responded negatively. As 94% of CPUT students and 82% of CUT responded positively, the results indicate that both hotel schools provide training that enables students to develop good leadership skills. Based on the feedback obtained, it was clear that most students in general felt competent with their social skills.

#### 5.2.3.1 Theme results and analysis

Supporting the views of the interviewed restaurateurs quoted throughout this theme, Zanazi (2013:7) noted good social skills make customers feel welcome and ensure their return. In addition, characteristics like leadership and the ability to work under pressure can increase staff performance and customer satisfaction. Mealey (2013a:1) added that restaurants are extremely complex to operate and restaurateurs should ensure the daily smooth running of operations through solving problems effectively.

Figure 5.3 charts the collective responses to this theme, which resulted in a positive average response rate of 94%.





**Figure 5.3: Students' perceptions of their social skills**

The results show that the majority of students consider they have sufficient social skills to operate a commercial restaurant. The categories providing traditional service skills, having sufficient people skills, being able to work in a team, communicate effectively and having both good personal orientation and leadership skills scored above 90% in the students' estimation. The lowest scoring category was dealing with customer complaints, which scored "only" 89%.

Considering these results and the positive average of 94%, the researcher determined that both the hotel schools provided curricula that were sufficient in training and developing student's social skills.

#### 5.2.4 Theme 4: Operation skills

Nineteen questions surveyed students' perceptions of their competencies across a range of operation skills, including service skills; problem solving; time management; negotiation; and compiling menus and wine lists and calculating costs. In addition, questions covering their understanding of various aspects of planning and running a business, and labour regulations and staff training and management were asked. Results are presented across three operations aspects as follows:

- Table 5.7: Personal attributes required for effective operations, including problem solving and time management skills, customer service skills, and ability to negotiate with and maintain good relationships with suppliers;
- Table 5.8: Understanding of costs and their management, including the ability to compile wine lists and menus, and calculate food costs; costs control; understanding how a business operates, and the industry within which it operates; ability to analyse a business report; and

- Table 5.9: Staff management issues, including understanding of labour regulations, ability to train and motivate staff, maintain records and rosters, and manage legal issues such as a disciplinary hearing.

#### 5.2.4.1 Students perceptions of their personal attributes in applying effective operation skills

The researcher started by asking if students felt competent in providing traditional service skills within a restaurant. Diamond (2013) and Galvin (2013) agreed it is essential for a manager to know how to provide traditional service skills to create means and standards of service delivery.

**Table 5.7: Theme 4 – Students’ perceptions of their personal attributes in applying effective operation skills**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>7.1: Do you rate yourself competent in traditional service skills?</b>	<b>Yes</b>	76	99%	17	100%	93	98%
	<b>No</b>	1	1%	0	0%	1	1%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>7.4: Do you rate yourself competent in problem solving skills?</b>	<b>Yes</b>	73	95%	15	88%	88	93%
	<b>No</b>	4	5%	2	12%	6	7%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.1: Do you consider yourself having sufficient time management skills?</b>	<b>Yes</b>	67	87%	15	88%	82	87%
	<b>No</b>	10	10%	2	12%	12	13%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.2: Do you consider yourself able to negotiate effectively?</b>	<b>Yes</b>	70	91%	12	71%	82	84%
	<b>No</b>	7	9%	5	29%	12	16%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.16: Do you know how to maintain good relationships with suppliers?</b>	<b>Yes</b>	61	79%	12	71%	73	77%
	<b>No</b>	16	21%	5	29%	21	23%
	<b>Total</b>	77	100%	17	100%	94	100%

The results confirm that the vast majority of students (98%) did feel confident in offering traditional service skills: 99% of CPUT students and 100% of CUT students. This finding indicates that the training provided by CPUT and CUT hotel schools enables students to feel confident in providing sufficient traditional service skills.

Regarding problem solving abilities, Engelbrecht (2013) and Hugo (2013) stated that being able to solve problems demonstrates decision-making capabilities, which contribute to smooth business operations as the manager has to solve problems all the time. The results show the majority of students (93%) did feel confident of their ability to solve problems, but 7% responded negatively. This indicates that both hotel schools provide sufficient training to instill confidence in their students that they will be able to solve the types of problems which a restaurant manager may face on a daily basis.

Interviewed restaurant managers Steyn (2013) and Crawford (2013) commented on the importance of time management for managers: to use his/her time effectively to ensure that deadlines are met and that food arrives at the tables on time. Crawford (2013) added that an owner should be able to identify what tasks have a higher priority and solve them first to prevent possible problems that may occur. Therefore the researcher tested how many students consider they have sufficient time management skills.

Again a majority of students at both hotel schools (87%) did consider themselves to have good time management skills that will enable them to meet deadlines, but 13% responded negatively. Of those who responded positively, 87% were CPUT students and 88% were from CUT. Therefore it appears that CPUT and CUT hotel schools do provide sufficient training for students to develop time management skills, which will aid them in meeting deadlines and using their time productively.

Still in the domain of personal skills, but in regard to third parties, Fryer (2013) and Diamond (2013) stated that a restaurant manager should be able to negotiate to ensure better prices with suppliers and landlords, and to be able to up-sell menu items to customers.

Although overall more than three quarters of students (84%) considered themselves able to negotiate effectively, 16% stated they did not feel confident. CUT students lagged behind CPUT students in this area: 71% vs 91% responding affirmatively; indeed, almost one in three students at CUT did not feel confident of their skills in this area. The findings indicate that for most students, the training provided by both hotel schools enables them to develop confidence in negotiating effectively with customers and suppliers.

Related to the question of being able to negotiate is that of being able to maintain good relationships with suppliers. Eichel (2013) and Diamond (2013) agreed that it is essential for a manager to maintain good relations with suppliers as they will then be more likely to go the extra mile and give better prices. Diamond (2013) added that a restaurant owner should always ensure that his/her suppliers are paid on time to prevent bad relations.

Seventy-nine percent of CPUT students and 71% of CUT students consider themselves able to maintain good relation with suppliers, resulting in an overall positive response rate of 77%. However the 23% negative response rate links to the 16% who reported not being confident in their negotiation skills. The results determine that, overall, the training provided by CPUT and CUT hotel schools is sufficient to ensure that students have the ability to maintain good relationships with suppliers.

#### 5.2.4.2 Students' perceptions of their competencies in financial and industry aspects of operations

Table 5.8 details the seven questions related to understanding of costs and their management, including the ability to compile wine lists and menus, and calculate food costs; costs control; understanding how a business operates, and the industry within which it operates; and ability to analyse a business report. These are all financial aspects of operations, which would have a significant impact on the sustainability of the business.

**Table 5.8: Theme 4 – Students’ perceptions of their competencies in financial and industry aspects of operations**

		CPUT		CUT		All students	
Question		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>8.3: Do you consider yourself competent to compile a food menu?</b>	Yes	55	71%	11	65%	66	70%
	No	22	29%	6	35%	28	30%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.4: Do you consider yourself competent to compile a wine list?</b>	Yes	38	49%	6	35%	44	46%
	No	39	51%	11	65%	50	53%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.5: Do you consider yourself competent to calculate menu prices?</b>	Yes	65	84%	11	64%	76	85%
	No	12	16%	6	36%	18	15%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.8: Do you consider yourself competent in implementing cost control procedures?</b>	Yes	49	64%	11	65%	60	63%
	No	28	36%	6	35%	34	37%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.10: Do you consider yourself to have a good understanding of how a business operates?</b>	Yes	65	84%	14	82%	79	84%
	No	12	16%	3	18%	15	16%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.11: Do you consider yourself competent in analysing business reports?</b>	Yes	51	66%	10	59%	61	64%
	No	26	34%	7	41%	33	36%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.15: Do you know how to stay up-to-date with industry changes?</b>	Yes	56	73%	8	47%	64	68%
	No	21	27%	9	53%	30	32%
	<b>Total</b>	77	100%	17	100%	94	100%

Being able to compile a food menu is necessary to ensure that a restaurant manager has the correct items on the menu to attract a target market (Hess, 2013). De Bettencou (2013) added that a restaurant manager needs to be able to work closely with the chef to develop menus and menu recipes that will sell effectively

Overall 70% of the students reported feeling confident of being able to compile a food menu, but 30% (approximately one in three) reported not feeling competent in this area. Seventy-one percent of the positive respondents were CPUT students and 65% were from CUT. The results indicate that the training provided by these hotel schools is sufficient to enable students to compile food menus.

The owner of an up-market or a fine dining restaurant, should be able to compile a wine list that will complement the food menu items, offering a wide selection of wines (Ilo, 2013), and which will assist in selling the menu items (Hugo, 2013).

Fewer than half the students (46%) considered themselves able to compile a wine list and the majority, 53% responded negatively; only 49% of CPUT students and 35% of CUT students answered affirmatively. Therefore the results show that the training provided by these hotel schools does not emphasise training on how to compile a wine list.

Based on the results obtained above, it appears that students in general feel intimidated by pairing wines with the food and ensuring that the wine list has a balanced selection of wines available.

Engelbrecht (2013) argued that there is no excuse for a manager not to know how to calculate menu prices as there is more than enough information available on the internet. Galvin (2013) added being able to calculate menu prices is essential as this will assist a restaurant manager to identify production costs and calculate the different profit ratios on different offerings, or as Jones (2013) put it, to identify the 'high cost, low profit' items as well as the 'low cost, high profit' items.

The results show that most students (85%) are able to calculate menu prices, but 15% answered negatively. As 84% of CPUT students and 64% of CUT students replied positively, it appears that, overall, the training provided by CPUT and CUT hotel schools is sufficient to ensure that students are able to calculate menu prices. However, the one third of the CUT students who did not feel competent in this area is of concern.

The ability to implement cost controls is critical to the sustainability of any enterprise. Restaurant operations expenditures can easily get out of hand and it is vital to have strict

measures to control costs (Stone, 2013). Galvin (2013) and Ilo (2013) added that effective cost control systems will ensure cost-savings and ensure the success of the business.

One third of students at CPUT and CUT (36% and 35% respectively), resulting in an overall tally of 37%, felt they were not able to implement cost control measures. Yet overall 63% of students did consider themselves able to perform this function. Thus overall the results indicate that the training provided by both hotel schools is sufficient to ensure that students are able to implement cost control procedures effectively. This ability will aid them in managing and protecting the business profits more effectively.

Snyman (2013) cautioned that it is vital to know what are the business strengths, weaknesses, opportunities and threats as this will allow a manager to promote the business opportunities and strengths, and knowing how to leverage business growth and staff productivity will ensure that a business maximises its profits. Fryer (2013) also recommended that a restaurant manager should know and understand how the restaurant he/she manages operates.

The results to the question “Do you consider yourself competent in having a good understanding on how a business operates?” were very positive: overall 84% of students (84% from CPUT and 82% from CUT) felt that they understood how a business operates, but 16% did not.

From these results the researcher determined that the training provided by both hotel schools does ensure that students understand how businesses operate, which will assist them to maximise profits and minimise expenses.

The researcher asked “Do you consider yourself competent in analysing business reports?” as this ability will provide vital information about the business performance (Zanasi, 2013) and will ensure that the restaurant manager is able to make informed decisions (Bouwer, 2013).

While 64% of students replied positively, just over one third (36%) stated that they did not know how to analyse business reports. Thus, overall, the training provided by both CPUT and CUT is sufficient to enable most students to analyse business reports and make more informed decisions, but the 34% of students at CPUT and 41% at CUT who are not confident in this area are of concern. Engelbrecht (2013) stated that staying up-to-date with industry changes is a good way of ensuring one stays ahead of one’s competitors, and that one is aware of what target markets demand. Gerber (2013) added that staying up-to-date with industry changes can help a restaurant manager identify new opportunities.

The results to the question “Do you know how to stay up-to-date with industry changes?” revealed that the majority of students (68%) felt they did know how to stay up-to-date with industry changes, but fully 32% replied negatively. Of the latter, 27% were from CPUT and 53% from CUT. Overall however the results show that the training provided by both hotel schools enables students to keep up-to-date with current industry changes; this will assist them in staying ahead of their competition.

#### 5.2.4.3 Students’ perceptions of their competencies in staffing and legal aspects of operations

The final set of questions in this section on operation skills relate to staff management and labour relations, and legal issues. Seven questions were asked in this area:

1. Do you know how to compile staff rosters?
2. Do you know how to stay up-to-date and implement the labour legislation in your business?
3. Do you know how to identify and act against any legal threats that might oppose your business?
4. Do you know how to operate systems to record staff working hours, their wages, taxes, leave taken and leave due?
5. Do you consider yourself to have the ability to train staff?
6. Do you know how to motivate staff? and
7. Do you know how to conduct a disciplinary hearing?

Results are shown in Table 5.9.



**Table 5.9: Theme 4 – Students’ perceptions of their competencies in staffing and legal aspects of operations**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>12.1: Do you know how to compile staff rosters?</b>	Yes	67	87%	13	77%	80	85%
	No	10	13%	4	23%	14	15%
	Total	77	100%	17	100%	94	100%
<b>12.2: Do you know how to stay up-to-date and implement labour legislation in your business?</b>	Yes	54	70%	12	71%	66	70%
	No	23	30%	5	29%	34	30%
	Total	77	100%	17	100%	94	100%
<b>12.3: Do you know how to identify and act against any legal threats that might oppose your business?</b>	Yes	62	81%	13	76%	75	79%
	No	15	19%	4	24%	19	21%
	Total	77	100%	17	100%	94	100%
<b>12.4: Do you know how to operate systems to record staff working hours, wages, taxes, leave taken and leave due?</b>	Yes	59	77%	9	53%	68	72%
	No	18	24%	8	47%	26	28%
	Total	77	100%	17	100%	94	100%
<b>7.9: Do you consider yourself to have the ability to train staff?</b>	Yes	65	84%	14	82%	79	84%
	No	12	15%	3	18%	15	16%
	Total	77	100%	17	100%	94	100%
<b>12.5: Do you know how to motivate staff?</b>	Yes	68	88%	11	65%	79	85%
	No	9	12%	6	35%	15	15%
	Total	77	100%	17	100%	94	100%
<b>12.6: Do you know how to conduct a disciplinary hearing?</b>	Yes	50	65%	9	53%	59	62%
	No	27	35%	8	47%	35	38%
	Total	77	100%	17	100%	94	100%

Botha (2013) and Pienaar (2013) advised that compiling a staff roster effectively is important as a manager should ensure that all staff work a fair number of hours; there is sufficient staff at all times, and that minimum wage expenditure is maintained; it also helps management ensure a balance of skills during different times of the day and helps management to plan for training to take place.

Most students (85% overall, comprised of 87% from CPUT and 77% from CUT), replied that they felt confident in their ability to compile staff rosters; however 15% replied in the negative. The researcher determined from the findings that the training provided by both hotel schools is sufficient to ensure that students feel confident in compiling staff rosters.

Given the importance of labour relations in this staff-intensive industry, the researcher asked the question “Do you know how to stay up to date and implement labour relations legislation in your business?” Botes (2013) stated that a restaurant manager had to manage people on a daily basis and for this reason should always be aware of the current labour relations regulations. Duraan (2013) concurred by pointing out that a restaurant manager should have a good general knowledge about hiring, firing, retrenching, salaries and other types of employee engagements as a manager will deal with staff unions on a regular basis.

From the results obtained the researcher was able to determine that the training provided by both CPUT and CUT is sufficient in ensuring that students are able to stay up-to-date and implement the Labour Relations Act as most students (70% overall, 70% from CPUT students and 71% from CUT) stated “yes” but 30% stated “no”, which raises concern.

Du Preez (2013) noted that a restaurant could face many different legal threats and a manager should be aware of them to ensure that he/she has sufficient insurance cover in the event that something goes wrong. Moolman (2013) stated that being aware of legislation that might threaten your business is essential to prevent unnecessary expenses and to prevent it from being closed down. The researcher therefore sought to determine the number of students who were aware of legal threats that might influence a business.

The results suggest that the training provided by CPUT and CUT hotel schools is sufficient to equip students to identify legal threats to a business, as 79% of the students replied positively, and 21% replied negatively; of those responding positively, 81% were CPUT students and 76% CUT students.

The remaining four questions dealt with competencies in staffing issues: training and motivating staff, record-keeping and disciplinary action.

Question 12.4 asked “Do you know how to operate systems to record staff working hours, wages, taxes, leave taken and leave due?” Pienaar (2013), Gerber (2013) and Jones (2013) advised that a manager should be able to implement and operate such systems to ensure that these staffing issues are managed effectively.

Close on three quarters of the students (72%) responded “yes” but 28% responded “no”. Of those responding positively, 77% were CPUT students, but only 53% of CUT students considered they were able to operate computer and other systems developed to manage staff records. The results determine that the training provided by CPUT and, to a lesser extent, CUT is sufficient to equip students to implement systems to manage staff records.

Being able to train and develop the staff are critical factors in growing the business and ensuring constant and reliable customer service, which aids in maintaining a good business image (Galvin, 2013). Eichel (2013) added that it is essential for a restaurant manager to train staff effectively as this will ensure maintenance of business standards more effectively and provide a consistent service to the public.

Eighty-four percent of students, 84% from CPUT and 82% from CUT, responded positively, and 16% stated they were not confident. Thus the findings suggest that the curriculum offered by CPUT and CUT does develop confidence in the majority of students in training staff.

Linked to this is the ability to motivate staff, Lombard (2013) noted that having motivated staff will ensure that they are productive and reliable. Appels (2013) and Galvin (2013) agreed that having motivated staff will ensure that they will look after customers and their jobs and in turn portray a better, more attractive business image.

The results indicate that the training provided by both hotel schools instills confidence in students in their ability to motivate staff, as 85% felt competent and only 15% did not. Of those responding positively, 88% were CPUT students and 65% were from CUT.

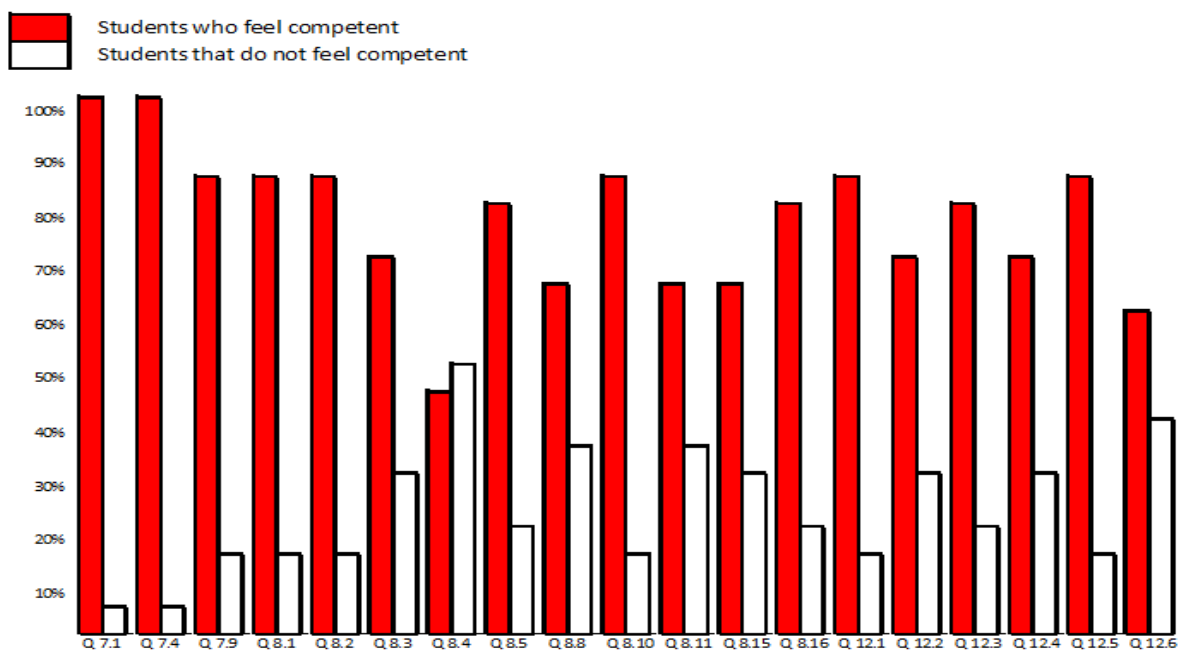
Prospective managers in a staff-intensive service industry should be able to conduct staff disciplinary hearings: Fyvaz (2013) noted this is one of the many duties of a restaurant manager. Botes (2013) said that a manager should be aware of the correct legal procedures to ensure that a disciplinary hearing has a positive outcome for the business.

Overall, fewer than two thirds (63%) of all students responded feeling competent in conducting disciplinary hearings. Just over one third (37%) replied in the negative: almost half the CUT sample (47%) and 35% of the CPUT sample. However, given that 65% of CPUT students and 53% of CUT students did feel confident of their competency in this area, the results show that the training provided by both hotel schools is sufficient.

#### 5.2.4.4 Theme results and analysis

Operations are central to the success of a restaurant, so this complex area was interrogated in 19 questions, tabulated over three tables. Being able to apply operational skills requires that a restaurateur act with integrity, honesty, and knowledge to ensure that restaurant standards are enforced and to maximise staff utilisation (Writing, 2013:62).

Figure 5.4 below shows the results for all the questions, which generated a positive average response of 78%:



**Figure 5.4: Students' levels of confidence in applying general operation skills**

Figure 5.4 shows that the majority of students feel confident in applying general operations skills, including time management, prioritising tasks correctly and compiling menus. The only operational skill most students felt unsure of, was compiling a wine list.

Considering the responses and the positive median of 78% the researcher determined that the curriculum offered by both CPUT and CUT makes sufficient provision in training students to apply operational skills learned during the three-year course.

#### 5.2.5 Theme 5: Financial skills

For data presentation purposes, the 15 questions in this theme have been grouped as shown in Table 5.10.

**Table 5.10: Theme 5 – Presentation of data**

<b>Financial skills area</b>	<b>Topics covered and question numbers</b>	<b>Presented in</b>
<b>Controls, costs and budgeting</b>	Q 8.12: Stock control Q 8.14: Record-keeping Q 8.6: Food costs Q 8.13: Average spend per guest Q 8.7: Predicting future income Q 9.5: General budgeting Q 9.6: Calculating future figures for a budget Q 9.7: Managing working capital Q 9.8: Budget sustainability	Table 5.11
<b>Balance sheets</b>	Q 8.9: Ability to interpret a balance sheet Q 9.3: Drawing up and interpreting a Profit and Loss statement Q 9.4: Compiling and interpreting an Income Statement	Table 5.12
<b>Investor issues</b>	Q 9.1: Convincing future investors to invest Q 9.2: Drawing up a financial plan Q 10.2: Conducting a feasibility study	Table 5.13

#### 5.2.5.1 Students' perceptions of their competencies in controls, costs and budgeting

Controls, costs and budgeting skills are dealt with first, as they are basic management skills and would be encountered daily in a restaurant. Nine questions surveyed these skills as shown in Table 5.11.

**Table 5.11: Theme 5 – Students’ perceptions of their competencies in controls, costs and budgeting**

		CPUT		CUT		All students	
Question		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>8.12: Do you consider yourself competent to control stock?</b>	<b>Yes</b>	71	92%	15	88%	86	91%
	<b>No</b>	6	8%	2	12%	8	9%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.14: Do you consider yourself competent to keep records on operations?</b>	<b>Yes</b>	60	78%	11	64 %	71	75%
	<b>No</b>	17	22%	6	36%	23	25%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.6: Do you consider yourself competent to calculate food costs?</b>	<b>Yes</b>	66	86%	12	71%	78	82%
	<b>No</b>	11	14%	5	29%	16	18%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.13: Do you consider yourself competent to calculate the average spend by each guest?</b>	<b>Yes</b>	66	86%	12	71%	78	82%
	<b>No</b>	11	14%	5	29%	16	18%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>8.7: Do you know how to predict future income?</b>	<b>Yes</b>	38	49%	12	71%	50	53%
	<b>No</b>	39	51%	5	29%	44	47%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>9.5: Do you know how to draw up a general budget?</b>	<b>Yes</b>	63	81%	12	71%	75	79%
	<b>No</b>	14	19%	5	29%	19	21%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>9.6: Do you know how to calculate future figures for a general budget?</b>	<b>Yes</b>	48	62%	7	41%	55	58%
	<b>No</b>	29	38%	10	59%	39	42%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>9.7: Do you know how to manage working capital?</b>	<b>Yes</b>	51	66%	9	53%	60	63%
	<b>No</b>	26	34%	8	47%	34	37%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>9.8: Do you know how to ensure the budget is sustainable on a yearly basis?</b>	<b>Yes</b>	47	61%	7	41%	54	57%
	<b>No</b>	30	39%	10	59%	40	43%
	<b>Total</b>	77	100%	17	100%	94	100%

This section starts with the issue of stock control. De Bettencou (2013) stated that the importance of stock control is vital, as without being able to manage the flow of food and supplies in an effective manner, the chances of making any profit are very slim. Appels (2013) added that proper stock control ensures the business never runs out of stock, and that over-purchasing of a specific item does not occur, which could cause it to spoil before it can be sold. Gwatiolo (2013) agreed, saying stock control plays a very important role in the daily operation of a business, as too little stock can result in loss of sales, and too much stock can result in unavailable funds for other areas.

Ninety-one percent of students (92% from CPUT and 88% from CUT) considered themselves able to control stock and 9% responded “no”. The results affirm that the training provided by CPUT and CUT hotel schools is sufficient to ensure students are able to control stock effectively.

Stock control, amongst other operational aspects, will result in records, which must be kept and managed. Ryan (2013) and Duraan (2013) agreed it is essential to enforce good record-keeping, to protect the business and to enable a manager to measure business performance and maximise profits. As restaurant managers normally invest tremendous time and energy to ensure that the restaurant business is successful, having all the relevant records available can help a manager achieve the greatest possible return on investment (Diamond, 2013).

Although 75% of students overall responded positively, only 64% of the CUT students were confident of their abilities to keep good records, as opposed to 78% of CPUT students. Of the 25% overall who answered “no”, 36% were from CUT and 22% from CPUT. Overall, the training provided by CPUT and CUT hotel schools is sufficient to equip students to ensure that proper record-keeping systems are implemented.

The third question in this section surveyed the number of students who felt confident calculating food costs. Meiring (2013) argued that a manager should know what costs are involved in preparing a menu item, what the profit is, and even how often this item has sold in the last month to determine if it is a profitable selling item. Crawford (2013) added that a restaurant manager should be able to calculate food costs in order to implement proper managing systems in controlling stock.

The results indicate that 82% of respondents considered themselves able to calculate food costs, but 18% did not. Of those answering affirmatively, 86% and 71% were from CPUT and CUT respectively. The researcher determined that the training provided by these hotel schools is sufficient to ensure the majority of their students are able to calculate food costs.

Average-spend-per-guest is another financial management indicator: Gwatiolo (2013) stated that a good way to analyse sales is through knowing the average each customer spends, which will aid the manager in making informed decisions on a daily basis. Van Tonder (2013) explained that a business does not make money from its first sale but from repeat business, and knowing what the average-spend-per-customer is will enable a manager to calculate what the current repetitive business is.

The results to this question are very similar to the previous question: 82% of respondents answered positively, that knew how to calculate the average-spend-per-head; only 18% answered “no”.

Thus the results suggest that the training provided by both hotel schools ensures that students were able to calculate the average-spend-per-head, as 86% of CPUT students and 71% of CUT students responded positively.

The next question, regarding students’ perception of their ability to predict future income, rendered a low positive response. Yet this is important, as Gwatiolo (2013) advised that predicting future income is part of planning for and managing the future. Diamond (2013) explained that a restaurateur can predict future income through using the previous year’s income and escalating them in drawing up a budget.

Only 53% of respondents (49% from CPUT and 71% from CUT) answered “yes”, while 47% responded “no”. Rass (2014) explained that the background of a lecturer can influence what aspects of finance come through more strongly in training, based on what the lecturer is most competent in. Davids (2014) added that because students are not required to have financial subjects for selection purposes their level of financial knowledge differs; and due to the little time available for training, sufficient time is not available to train students on how to predict future income.

The results indicate that the training offered by both hotel schools did make provision for students to develop the ability of predicting future incomes accurately.

The next question, the number of students who felt confident in compiling a general budget, is linked to the ability to predict future income. Pienaar (2013) stated that a restaurant manager should know how to draw up a budget, which will allow the manager to forecast revenue, expenses and profit. Duraan (2013) stated that a budget can also be used to designate the correct amount of funding for specific purposes; avoid wasting unnecessary money; and monitoring expenditures throughout the year.



The results indicate that more than half of the students felt confident in drawing up a budget as 79% responded affirmatively and 21% did not. Positive responses came from 81% of CPUT students and 71% of CUT students. The results indicate that the training provided by CPUT and CUT hotel schools is sufficient to ensure that students can confidently draw up a budget.

The question “Do you know how to calculate future figures for a general budget?” built on the previous two questions. Meiring (2013) and Diamond (2013) both noted that previous financial statements can be used when calculating future budget figures. These figures can be used to plan business growth and can be predicted through making use of current budgets, past business performance reports and future economic activity (Jones, 2013).

Fifty-eight percent of students overall felt confident in calculating budget figures but 42% did not. Of those answering positively, 62% were from CPUT and only 41% were from CUT. Overall it appears that the training provided by CPUT equips the majority of students to calculate and prepare future budgets; however, given that the majority of students at CUT answered in the negative, it appears that the CUT training in this area should be revisited. Davids (2014) added that strategically implementing financial management is covered in more detail during the fourth year (BTech level) as students are merely introduced to budgets during their first three years of study.

Working capital is money that is available for running the “day-to-day” business and managing regular bills, and is crucial for running a healthy and successful business (Van Tonder, 2013). Meiring (2013) agreed it is essential to be able to manage working capital to ensure smooth operation of a business.

Sixty-six percent of CPUT students and 53% of CUT students considered themselves able to manage working capital, resulting in an overall positive response of 63% to this question. However, more than one third (37%) of students overall stated they were not confident in this skill. The researcher determined that, overall, the training provided by both hotel schools is sufficient for most students to feel confident of their competency in managing working capital.

The final question in this section on controls, costs and budgeting sought to determine the number of students who felt confident that the budget is sustainable on a yearly basis. Lombard (2013) explained that a budget can be used to plan sustainable growth and should be drawn up while considering future business strategic plans, and Opperman (2013) stated that the sustainability of a budget can be maintained through making regular comparisons with the actual business performance to the budget, and implementing strategic changes if needed.

Just over half the students, 57%, felt confident in maintaining the sustainability of a budget, but 43% were not confident in this area. Sixty-one percent of CPUT students and only 41% of CUT students considered themselves able to maintain budget growth. The results suggest that the training provided by CPUT is sufficient to ensure that students are able to sustain that the budget on a yearly basis. The fact that the majority of CUT students answered in the negative is of concern. However, the researcher feels that both hotel schools need to put more emphasis on training students about maintaining budgets as more than one third of students overall did not feel competent in this area.

#### 5.2.5.2 Students' perceptions of their competencies in balance sheets and financial statements

The next skill area addressed in this theme is balance sheets. Three questions covered students' perceptions of their skills in this area, results of which are presented in Table 5.12 below.

**Table 5.12: Theme 5 – Students' perceptions of their competencies in balance sheets and financial statements**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>8.9: Do you consider yourself competent in interpreting a balance sheet?</b>	<b>Yes</b>	59	77%	15	88%	74	78%
	<b>No</b>	18	23%	2	12%	20	22%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>9.3: Do you know how to compile and interpret a Profit and Loss statement?</b>	<b>Yes</b>	58	75%	16	94%	74	78%
	<b>No</b>	19	25%	1	6%	20	21%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>9.4: Do you know how to compile and interpret an Income statement?</b>	<b>Yes</b>	67	87%	15	88%	82	87%
	<b>No</b>	10	13%	2	12%	12	13%
	<b>Total</b>	77	100%	17	100%	94	100%

According to Fryer (2013) and Bouwer (2013), compiling a balance sheet is a useful skill in the management of a restaurant as both recommended this to know what is going on in the business, and to be able to make informed decisions. Results in this area were positive: 77% of CPUT students and 88% of CUT students (78% overall) considered themselves able to draw up a balance sheet, while 22% overall did not feel confident in this area.

Thus it appears that the training provided by these hotel schools is sufficient to ensure students are able to compile balance sheets. This will assist students to be able to interpret balance sheets and to be aware of their restaurant's business performance, and to make informed decisions.

Linked to this is the ability compile and interpret a profit and loss statement. (Opperman (2013) defined a profit and loss statement as a document that shows how the restaurant revenue is turned into profit.

Van der Riet (2013) agreed, recommending that a restaurant manager know how to prepare a profit and loss statement as this would give him/her clear guidance on how the business is performing, where the income is coming from, and where the expenditures are going to.

The results demonstrate that most students (78%) felt confident in this ability, while 21% replied negatively. Given that 75% of CPUT students and 94% of CUT students responded in the affirmative, it appears that both hotel schools ensure proper training in drawing up profit and loss statements.

The final question in this skills set related to the ability to compile and interpret an income statement. Johnson (2013) noted that even though an income statement is similar to a profit and loss statement, it contains all the information on where the business income was obtained and is a good source on informing managerial or restaurant performance. Gerber (2013) added that an income statement also provided a cost-of-sales figure, which is helpful in determining gross margins.

The results were in line with those above: overall 87% (87% of CPUT students and 88% of CUT students) felt confident, and 13% did not. The results show that the training provided by CPUT and CUT hotel schools is sufficient to ensuring that students are able to draw up and interpret income statements.

#### 5.2.5.3 Students' perceptions of their competencies in influencing future investments in their business

The final financial skills area surveyed related to investor issues. Again, three questions were asked, the results of which are shown in Table 5.13.

**Table 5.13: Theme 5 – Students’ perceptions of their competencies in influencing future investments in their business**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>9.1: Do you know how to convince potential investors to invest?</b>	<b>Yes</b>	31	40%	8	47%	39	41%
	<b>No</b>	46	60%	9	53%	55	59%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>9.2: Do you know how to draw up a financial plan?</b>	<b>Yes</b>	39	51%	11	65%	50	53%
	<b>No</b>	38	49%	6	35%	44	47%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.2: Do you know how to conduct a feasibility study?</b>	<b>Yes</b>	36	47%	5	30%	41	43%
	<b>No</b>	41	53%	12	70%	53	57%
	<b>Total</b>	77	100%	17	100%	94	100%

Results across this entire area were poor.

With regard to ability to convince potential investors to invest, Apples (2013) recommended that if a restaurateur did not have proper funding to open a restaurant, but did have a promising restaurant idea, he/she could obtain financing from other potential investors. Lombard (2013) agreed, saying that being able to convince people to invest in a business idea would help a manager obtain the necessary finances to start or grow a restaurant business in the event that the manager does not have sufficient personal funding available. Jones (2013) added that customers should also be seen as potential investors and a restaurant manager should be able to implement strategies that will increase customer loyalty towards a business, which in turn will aid in an increase in profit for future business growth.

Only 41% of students overall considered themselves able to convince potential investors to invest in their business idea; of these 40% were CPUT students and 47% from CUT. However, 59% overall (60% and 53% respectively from CPUT and CUT) did not feel confident of being able to convince potential investors to invest. These results suggest that the training provided by both CPUT and CUT does not make enough provision in assisting students to obtain the necessary finances for their business ventures.

Related to this was the question “Do you know how to draw up a financial plan?” According to Fernandez (2013), a financial plan is a very important tool in convincing investors to invest as it shows that proper planning has been conducted on the idea. Apples (2013) added that a financial plan allows a manager to understand how each financial decision he/she makes affects other areas of the business.

More than half the students, (53%) did feel confident of drawing up a financial plan but 47% did not. Of those answering in the affirmative, 51% were from CPUT 65% from CUT. While overall the researcher determined that the training provided by both hotel schools is sufficient to ensure that just over half students are able to draw up a financial plan, the fact that 47% of students did not share this confidence is of concern.

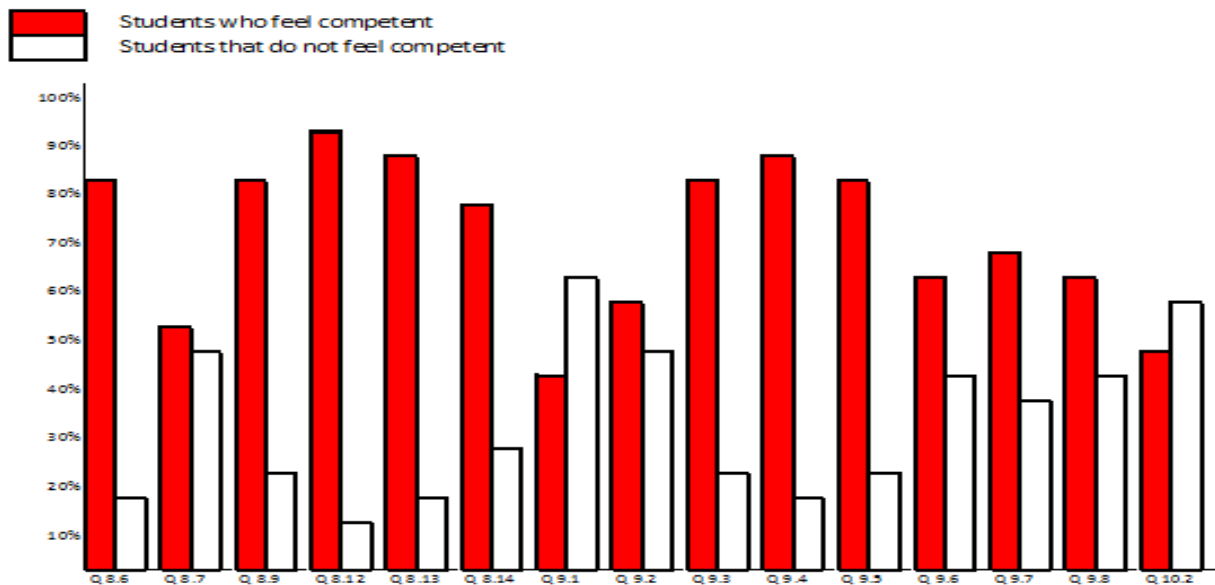
The final question in the financial skills area, and the final question of Theme 5, surveyed the number of students who felt confident in compiling a feasibility study for their future business. A feasibility study can be helpful to determine the likelihood of a business being successful and entails proper market research and predicting possible future income (Prince, 2013). A restaurant manager can make use of a feasibility study to obtain guidance on how to proceed for business growth and what to include (Fryer, 2013:5).

The results indicate that most students were unsure how to conduct a feasibility study, as only 43% (47% from CPUT and 30% from CUT) stated that they were confident of their ability in this area, but a majority (57%) stated they were not confident of how to conduct a feasibility study. This result clearly shows that the training provided by CPUT and CUT hotel schools is not sufficient to ensure that students could conduct feasibility studies on their business with confidence.

#### 5.2.5.4 Theme results and analysis

One of the main reasons why restaurants close down is due to insufficient start-up capital and poor financial control measures (Fryer, 2013:5). Niemand (2009:103) defines these as proper record keeping systems to record cash transactions, debtors, creditors, and stock-and asset control. Further, one of the most powerful tools a restaurateur could use to ensure positive financial growth is a budget.

As in Theme 4, this complex area of a restaurant’s functioning was presented in three tabulations, which covered 15 questions. Figure 5.5 below presents the collective data for the theme, which resulted in the lowest positive median result seen so far, of 69%.



**Figure 5.5: Students' levels of confidence in applying financial skills**

Figure 5.5 shows that most students felt competent in aspects of financial skills, such as calculating food costs (Q8.6), compiling a balance sheet (Q8.9) and stock control (Q8.12), but most students stated that they did not feel competent in convincing potential investors to invest (Q9.1), and conducting a feasibility study (Q10.2).

Given the positive median response of 69% the researcher determined that the curriculum offered by CPUT and CUT hotel schools did place sufficient emphasis on training students in the financial aspects in operating a business.

However, the researcher notes with concern that most students felt insecure about their personal finances and their ability to convince potential investors to invest in their business idea; students should also be made more aware of how to conduct feasibility studies.

### 5.2.6 Theme 6: Planning, strategic and implementation skills

Twelve questions surveyed students' perceptions of their competencies in these areas. For presentation purposes, the results are presented across two aspects as shown in Table 5.14:

**Table 5.14: Theme 6 – Presentation of data**

<b>Skills area</b>	<b>Topics covered and question numbers</b>	<b>Presented in</b>
<b>Planning and strategic skills</b>	Q 10.1: Drawing up a business plan Q 10.5: Developing business values Q 10.6: Creating competitive advantage Q 10.7: Identifying critical success factors Q 10.10: Identifying risks Q 10.12: Compiling and implementing strategies Q10.13: Aligning operations with strategies	Table 5.15
<b>Implementation skills</b>	Q 10.3: Implementing strategies to maximise profit Q 10.4: Implementing strategies to minimise expenses Q 10.8: Implementing strategies to ensure success Q 10.9: Implementing strategies to ensure business survival Q 10.11 Implementing strategies to act against risks	Table 5.16

#### 5.2.6.1 Planning and strategic skills

Planning and strategic skills are dealt with first, as they form the basis of the implementation issues that follow. Table 5.15 presents the results of the seven questions that surveyed these skills.

**Table 5.15: Theme 6 – Students’ perceptions of their competencies in planning and strategic skills**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>10.1: Do you know how to draw up a business plan?</b>	<b>Yes</b>	49	64%	14	82%	53	56%
	<b>No</b>	28	36%	3	18%	31	44%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.5: Do you know how to create, capture and define business value to make it more attractive for customers?</b>	<b>Yes</b>	57	74%	8	47%	65	72%
	<b>No</b>	20	26%	9	53%	29	28%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.6: Do you know how to create a competitive advantage for a business?</b>	<b>Yes</b>	58	75%	9	53%	67	71%
	<b>No</b>	19	25%	8	47%	27	29%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.7: Do you feel confident in identifying critical success factors?</b>	<b>Yes</b>	58	75%	9	53%	67	71%
	<b>No</b>	19	25%	8	47%	27	29%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.10: Do you know how to identify different risks that may influence the business?</b>	<b>Yes</b>	48	62%	9	53%	57	60%
	<b>No</b>	29	38%	8	47%	37	40%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.12: Do you know how to compile and implement a strategic plan?</b>	<b>Yes</b>	50	65%	12	71%	62	65%
	<b>No</b>	27	35%	5	29%	32	35%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.13: Do you know how to align business operations with business strategies?</b>	<b>Yes</b>	50	65%	12	71%	62	65%
	<b>No</b>	27	35%	5	29%	32	35%
	<b>Total</b>	77	100%	17	100%	94	100%

Botes (2013) defined a business plan as important because it encourages good management that requires setting certain objectives, then tracking and following up on these objectives. Snyman (2013) noted that a business plan was necessary if one wanted to open a restaurant.



From the results the researcher determined that the training provided by CPUT and CUT hotel schools is sufficient to ensure that a slight majority of students were able to draw up business plans, as 56% of students overall (64% from CPUT, 82% from CUT) did feel confident in this skill; however, 44% overall, including more than a third (36%) of CPUT students, did not.

Question 10.5 asked “Do you know how to create, capture, and define business value to make it more attractive for customers?” Defining value for your business is what puts your business ahead of your competitors (Johnson, 2013). Hugo (2013) added that creating value is necessary for the business to survive and can be achieved through ensuring that customers receive food and service that exceeds their expectations and provides value for money.

Seventy-two percent of respondents felt confident in maintaining high business values, and 28%, which included 53% of CUT students, indicated they did not. This finding suggests the training enables a majority of CPUT students to feel confident in creating, capturing and defining business value, as 74% of CPUT students replied positively. However, this is not the case for CUT, as only 47% of CUT students indicated confidence in this area.

Engelbrecht (2013) explained that a competitive advantage is essential to ensure that a restaurant is on top in the F&B industry, which can be achieved through using strategic planning and research to create an edge over competitors. Johnson (2013) agreed, saying that the restaurant manager should know his or her competitors: their strengths and weaknesses and what business values will provide a competitive advantage.

The results indicate that 71% of students overall (75% from CPUT and 53% from CUT) felt confident in creating a competitive advantage, but almost one third overall (29%), and 47% of CUT students, replied in the negative. Overall however, it appears that the training provided by CPUT and CUT hotel schools is sufficient to enable the majority of students to create competitive business advantage; and, as noted by Engelbrecht above, this could include implementing strategic planning.

Question 10.7 asked “Do you feel confident in identifying critical success factors?” Johnson (2013) noted these factors should be enhanced as much as possible to maximise all possible income, and Homes (2013) observed they will also allow a restaurant manager to maintain a competitive advantage over his/her competitors.

The majority (75% and 53% respectively) of CPUT and CUT students (71% overall) did feel confident in their ability to identify critical success factors, but 29% (of whom 47% were from CUT) did not. Overall the results indicate that the training provided by CPUT and CUT hotel schools is sufficient to ensure that the majority of students are able to identify critical success factors for successful running of a restaurant business.

Snyman (2013), Van der Riet (2013), De Bettencou (2013), and Engelbrecht (2013) all emphasised the critical importance of a restaurant manager being able to identify possible risks that might influence the business. Duraan (2013) mentioned specifically the strict alcohol and tobacco regulations implemented by government or steep increases in food and electricity costs; being aware of all possible risks allows a manager to make informed and effective decisions.

The results indicate that the majority of the students (60% overall) felt confident in identifying business risks but 40% answered “no”. Of those who responded in the affirmative, 62% were CPUT students and 53% were CUT students. The researcher determined that the training provided by both hotel schools enables the majority of students to identify different risks that may influence the business. However, the 40% who responded “no” (38% from CPUT and 47% from CUT) remain a concern.

According to Prince (2013) strategic planning starts with having a vision which is then converted into a plan of action. Botha (2013) added that a restaurant manager should always have a vision of where the business should be in about three years’ time and should then closely monitor the “plans of action” that are to be implanted.

The results to the question “Do you know how to compile and implement a strategic plan?” show that the majority of students (65% overall, 65% of CPUT students and 71% of CUT students) did feel confident in their capabilities in this area, but 35% overall did not. The researcher determined that both hotel schools do provide sufficient training to ensure the majority of students are able to compile and implement strategic plans.

The final question in this section related to the number of students comfortable in aligning business operations with business strategies. Slabbert (2013) explained that this is achieved through developing and implementing a plan of action from the business strategies, then monitoring it over a selected period of time. Fernandez (2013) stated that aligning business operations and strategies is essential to ensuring that the strategy is carried out effectively; this can be achieved through ensuring proper communication, getting staff buy-in to the idea, and developing a culture of discipline.

The results were similar to Question 10.12 above: 65% of students overall (65% of CPUT students and 71% of CUT students) felt confident in this area, but 35% did not. Again the researcher concluded that the training provided by both hotel schools is sufficient to enable the majority of students to align business operations with strategic planning.

#### 5.2.6.2 Implementation skills

The ability to apply successful managing skills like implementing cost control measures, and to identify and act against business risks are important attributes in a restaurateur as a restaurant is unlikely to be successful if these skills are not applied effectively by the restaurant manager (Meiring, 2013). A manager should be able to market the restaurant effectively to maximize profits. Business expenses must be monitored with the application of effective financial skills. Applying effective strategic planning will allow a manager to implement procedures to ensure the restaurateur acts against business threats and the restaurant survives during lean times.

The implementation skill set was surveyed across five questions, to consider whether students truly consider themselves able to effectively apply the skills (financial, marketing, strategic planning, social) taught in the curricula, as presented in Table 5.16 below.

**Table 5.16: Theme 6 – Students’ perceptions of their competencies in implementation skills**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
<b>10.3: Do you know how to implement strategies to ensure that the business maximises its profits?</b>	<b>Yes</b>	55	71%	9	53%	64	68%
	<b>No</b>	22	29%	8	47%	30	32%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.4: Do you know how to implement strategies to minimise business expenses?</b>	<b>Yes</b>	63	82%	6	35%	69	73%
	<b>No</b>	14	18%	11	65%	25	27%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.8: Do you know how to implement procedures that will ensure the success of the restaurant business?</b>	<b>Yes</b>	57	74%	10	59%	67	71%
	<b>No</b>	20	26%	7	41%	27	29%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.9: Do you know how to implement strategies to ensure that the business survives during lean times?</b>	<b>Yes</b>	52	68%	10	59%	62	65%
	<b>No</b>	25	32%	7	41%	32	35%
	<b>Total</b>	77	100%	17	100%	94	100%
<b>10.11: Do you know how to implement strategies to act against all possible business risks?</b>	<b>Yes</b>	57	74%	10	59%	67	71%
	<b>No</b>	20	26%	7	41%	27	29%
	<b>Total</b>	77	100%	17	100%	94	100%

The point of a business is to maximise its profits, so students should be comfortable in implementing strategies to ensure this. Fyvaz (2013) noted that strategies are important in maintaining high standards and planning the business’s future. Hess (2013) and Johnson (2013) added that proper set operating standards can aid in ensuring that business strategies are met, to maximise business profits.

More than half of the students (68% overall, 71% of CPUT students and 53% of CUT students) felt confident in this area, but 32% overall did not. The results show that the training provided by CPUT and CUT hotel schools is sufficient in ensuring that the majority of students are able to implement strategies that will ensure a business maximises its profits, but it is worrying that almost one third of students did not show confidence in their capabilities in this area.

Hugo (2013) and Moolman (2013) agreed that for a business to survive, management must ensure it operates to maximise income and minimise expenditure. Moolman added that restaurant managers should be able to implement strategies to cut costs and improve performance; expenses can be managed through constant close monitoring of each expense item and minimising expenses as far as possible.

Although 73% of students overall responded “yes” to the question “Do you know how to implement strategies to minimise business expenses?” this was largely composed of CPUT students: 82% of CPUT students voted in the affirmative. However, a worrying 65% of CUT students, and 18% of CPUT students (27% of students overall) did not consider themselves able to do so. From these results it appears that the training provided by CPUT is sufficient to inculcate confidence in implementing strategies to minimise expenses, but almost two thirds of CUT students were not so equipped.

Slabbert (2013), Lombard (2013) and Eichel (2013) concurred that a restaurant manager needs to be able to read and predict economic conditions and market trends to determine what strategic planning will be most effective. Strategic plans must then be converted into “action procedures” and monitored to ensure effectiveness (Eichel, 2013).

The results of the question “Do you know how to implement procedures that will ensure the success of the restaurant business?” again showed variable results: overall 67% of students responded in the affirmative, but this was largely composed of CPUT students (74%), as only 59% of CUT students replied positively. Almost one third of students (29%) did not feel confident in this area, which included 41% of CUT students.

Thus again it appears that the training provided by CPUT is sufficient to engender confidence in the majority of students to implement strategies to ensure business success, but more than one in three CUT students did not feel confident of doing so.

The ability to survive in lean times is critical; therefore the researcher asked the question “Do you know how to implement strategies to ensure that the business survives during lean times?” Eichel (2013) provided examples on this issue: a restaurant manager should be aware of all possible threats, especially economic threats, and should have strategic measures in place that will ensure the survival of the business during lean times, such as creating other sources of income to support the business when the usual income is at its minimum such as a gift shop on site or securing contracts with tour guides to book tourists to visit the restaurant during off season times. Lombard (2013) added that being able to survive and thrive during turbulent times requires innovation and organisational agility.

While overall 65% of students responded affirmatively to the question, 32% at CPUT and 41% at CUT (35% in total) replied in the negative. Nevertheless the results suggest that the training provided by both CPUT and CUT is sufficient in ensuring that the majority of students (68% of CPUT students and 59% of CUT students) are able to implement strategies that would ensure that the business survives during lean times, although the 41% of CUT students who felt unconfident of their ability in this area are of concern.

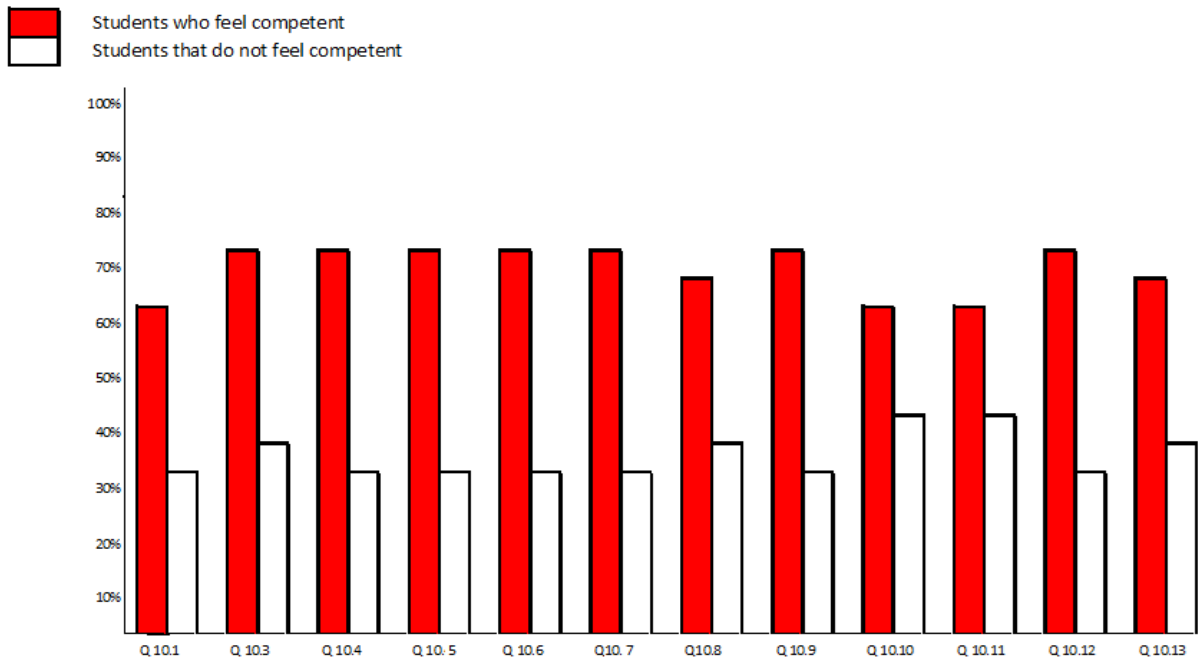
The final question in this section on implementation asked “Do you know how to implement strategies to act against all possible business risks?” During the interviews, Galvin (2013) stated that every restaurant faces risks that could present threats to its success, but restaurants that are more prepared for risks will be more likely to act cost-effectively against them. Botes (2013) added that a manager should strategise possible actions the moment a possible risk is identified. Risk management is especially important in the event that the restaurant business would like to try something new.

Seventy-one percent of students did felt confident acting against possible business risks, while 29% overall (including 41% from CUT) did not. From this the researcher determined that the training provided by both hotel schools is sufficient to enable the majority of students to implement effective strategies to act against business risks.

#### 5.2.6.3 Theme results and analysis

Camillo, Connolly and Kim (2008:374) state that successful operators always have a clear business strategy, marketing plans, and financial resources. Meiring (2013), Jones (2013) and Ilo (2013) agreed that strategic skills are necessary as they will help a restaurateur take the business forward in a rapidly changing environment.

The overall outcome to this theme was a positive median response by the students of 68%.



**Figure 5.6: Students' levels of confidence in applying strategic skills and future planning**

The responses tabulated in Tables 5.15 and 5.16, and the positive median of 68% suggest that both curricula provided sufficient training, resulting in the majority of students feeling competent in applying strategy skills, like implementing strategies to ensure that the business maximises its profits, and creating a competitive advantage.

#### 5.2.7 Theme 7: Marketing skills

A marketing plan is essential for a business to help a manager realise what makes his/her business unique and how to make the public aware of the business (Botha, 2013). Crawford (2013) added that a marketing plan will help a restaurant manager develop a product that is best suited to meet the desired target market.

Five questions were asked to survey students' perceptions of their competencies in this area, as shown in Table 5.17.

**Table 5.17: Students' perceptions of their competencies in marketing skills**

Question		CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
11.1: Do you know how to compile a marketing plan?	Yes	51	66%	10	59%	61	64%
	No	26	34%	7	41%	34	36%
	Total	77	100%	17	100%	94	100%
11.2: Do you know how to identify the target market?	Yes	71	92%	14	82%	85	90%
	No	6	8%	3	18%	9	10%
	Total	77	100%	17	100%	94	100%
11.3: Do you know how to implement strategies to attract the target market?	Yes	66	86%	15	88%	81	86%
	No	11	14%	2	12%	13	14%
	Total	77	100%	17	100%	94	100%
11.4: Do you know how to identify your competitors?	Yes	71	92%	13	76%	84	89%
	No	6	8%	4	24%	10	11%
	Total	77	100%	17	100%	94	100%
11.5: Do you know how to make the public aware of your business?	Yes	70	91%	11	65%	81	86%
	No	7	9%	6	35%	14	14%
	Total	77	100%	17	100%	94	100%

The first question asked in this theme was “Do you know how to compile a marketing plan? Results were varied: 41% of CUT students and 34% of CPUT students (36% overall) answered in the negative, but the majority (64% overall, comprised of 66% CPUT and 59% CUT students) were confident in compiling a marketing plan.

Pitching the plan to the correct target market is important to ensure that you market your business correctly (Hess, 2013). Van Tonder (2013) added that the type of target market will determine the type of marketing strategies to be implemented.

A healthy majority of students (90% overall, including 92% of CPUT and 82% of CUT students) felt confident in identifying a target market; only 10% overall did not. This indicates that both hotels schools provide sufficient training to engender confidence in the students to identify their target market. Having identified the market, the restaurant now has to identify and implement strategies to attract the target market (Hess, 2013). Van Tonder (2013) added that managers must make use of the most appropriate marketing tools to ensure that the time and money invested is effective, and generates a good return on the marketing investment.



Again the results were very positive: 86% of students overall felt confident in implementing strategies to attract the correct target market, while only 14% answered “no”. Eighty-six percent and 88% of CPUT and CUT students respectively answered in the affirmative. Therefore the findings strongly suggest that the training provided by both hotel schools is sufficient in equipping students to feel confident in implementing strategies to attract the correct target market.

Regarding competitor identification, Stone (2013) explained that competitors can enter the restaurant market at given time and it is vital to identify them. Innovation should be used constantly to ensure one’s restaurant proposition always stacks up favourably against the competition. Zanasi (2013) agreed that a restaurant has direct and indirect competitors, so the manager must know who they are to implements strategies to make the business’s products and services stand out. Knowledge of the competition will enable a manager to set the menu prices competitively and help the business respond to rival marketing campaigns (Moolman, 2013).

Students were again very positive in this area, with 89% responding affirmatively and only 11% responding in the negative. Thus the findings show that the training provided by both hotel schools does enable students to feel confident in identifying business competitors. Finally in this theme, on the question to making the public aware of one’s business, Moolman (2013) and Johnson (2013) agreed that making the public think favorably of your business is vital, and can be achieved through good word-of-mouth publicity and making use of the media and internet.

This question also resulted in a high positive response, with 86% of students feeling confident of making the public aware of a business; only 14% did not feel confident. While 91% of CPUT students responded affirmatively, 35% of CUT students did not consider themselves competent in this area. Overall however the researcher determined CPUT, and, to a lesser extent, CUT, provide training that is sufficient to ensuring the majority of students feel confident of their ability to make the public aware of their business.

#### 5.2.7.1 Theme results and analysis

This theme resulted in a positive median response of 83%, the second highest so far (after Theme 3, Social skills).

Being able to compile an effective marketing plan is vital to making the public aware of a business and ensuring the effective execution of the restaurateur’s strategic planning Fryer (2013:5).

In compiling a marketing plan, a restaurateur should be able to identify his/her target market to ensure the correct marketing techniques are used and to identify other competitor restaurants (Da Silva, 2014:9).

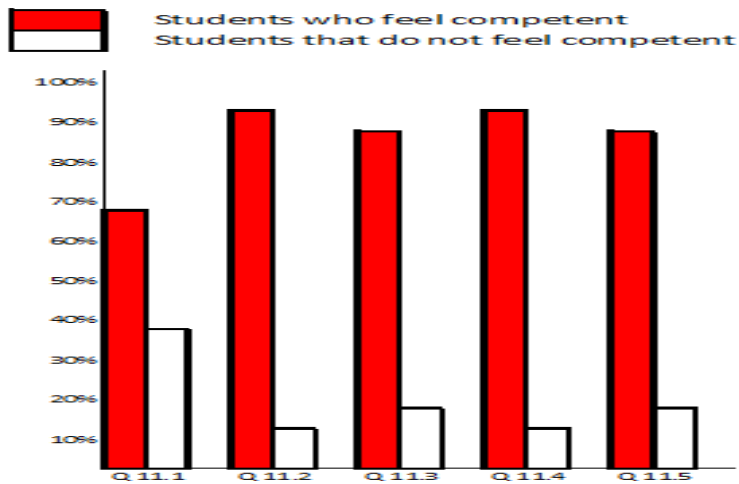


Figure 5.7: Students' levels of confidence in applying marketing skills

The results in Figure 5.7 clearly indicate that most students felt competent in applying marketing skills, such as compiling a marketing plan, identifying target markets and setting bench marks for a business. Considering this and the positive median response of 83% the researcher determined that both curricula provide sufficient training in preparing students to apply different marketing skills.

The researcher feels strongly that graduates should be able to demonstrate marketing skills such as being actively involved in social media and creating the motivation for free positive press. In addition, in her experience, the finer points of marketing and brand building are frequently ignored, such as employing staff with outgoing personality who buy into the business product, ensuring the restaurant is easily accessible, is located in an area that makes it easy for the business to promote itself, and has plenty of customer parking.

### 5.2.8 Theme 8: Restaurant opening skills

This theme was canvassed over eight questions, viz.

- Question 13: How many years of restaurant management experience do you have?
- Question 14: What restaurant would you like to open one day?
- Question 15: If you wanted to open a restaurant, why do you want to open one?
- Question 16: If you wanted to run your own restaurant, which would it be: One you opened, a franchise, or a restaurant that has been in operation for three years?
- Question 17: Have you started to strategise about how to obtain the necessary finance to open a restaurant?
- Question 18: Do you know how to obtain finances to open a restaurant?
- Question 19: Have you started to calculate how much financing will be needed to open your restaurant? If so, how much was it?
- Question 20: After answering all these questions, do you still consider yourself prepared to open and operate a commercial restaurant successfully?

#### 5.2.8.1 Years of management experience required to run a restaurant successfully

Van Tonder (2013), Lombard (2013), and Meiring (2013) were all in agreement that to be likely to manage a business effectively, a manager will need at least four years of in-depth working experience.

**Table 5.18: Students' years of restaurant management experience**

Question	Years	CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
13: Years of management working experience?	None	8	10	4	23.5	11	12
	< 1 year	23	30	7	40	47	50
	1 – 4 years	37	48	5	31.2	30	32
	> 4 years	9	12	1	5.2	6	6
	<b>Total</b>	77	100%	17	100%	94	100%

The results to the question “How many years of restaurant management experience do you have?” (as shown in Table 5.18 above) were not unexpected, given that the respondent samples were students: over 60% of respondents either had no experience or less than one year working management experience; 32% had between one and four years of management experience and only 6% had the suggested minimum of more than four years of management experience.

Although the training provided by both hotel schools gives students exposure to practical restaurant management experience part-time, the information obtained during the interviews with restaurateurs is correct in stating that the exposure to management experience provided is inadequate.

#### 5.2.8.2 Types of restaurants students want to open

Hugo (2013) suggested that it is advisable for first time restaurant owners to open a franchised restaurant, as the franchise provides all the necessary research, marketing, and support to help the franchisee. Stone (2013) pointed out that opening a new, individually-owned restaurant is much more expensive, as the owner/manager will have to invest in new stock and equipment and will also be required to invest money in building customer awareness and loyalty. Galvin (2013) recommended that if a manager wished to purchase a privately-owned restaurant, he or she should buy one that has been in business for at least three years as it will have proper records of the restaurant’s business performance, customer goodwill, brand recognition, and predictable future earnings.

**Table 5.19: Type of restaurants students would like to open**

Question	Type of restaurant	CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
14: What type of restaurant would you like to open one day?	None	18	23	3	18	21	22
	Franchise	13	17	3	18	16	17
	Coffee shop, individually-owned	14	18	3	18	17	18
	Upmarket, individually-owned	5	7	0	0	5	5
	Bistro/fast food, individually-owned	10	13	4	24	14	15
	Fine dining, individually-owned	8	10	2	11	10	11
	Other	9	12	2	11	11	12
	<b>Total</b>	<b>77</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>94</b>	<b>100%</b>

There is a strong desire for students to open their own restaurants in the future, as 78% of students overall (almost four out of five students) were planning to open their own restaurant one day, including franchises, coffee shops, up-market restaurants, bistro/fast food restaurants, fine-dining restaurant and other types of restaurant. Thus the majority of students are studying the NDHM:FB to acquire the skills necessary to open their own restaurant in the future.

### 5.2.8.3 Reasons for wanting to open a restaurant

Steyn (2013) argued that it is simply not good enough to open a restaurant just for the sake of it; the manager needs to realise the risks and level of dedication required should they choose to open a restaurant. It is important to do proper research about the restaurant to establish if a true market demand exists (Ilo, 2013). Opening a successful restaurant cannot be achieved by having a good idea alone – the manager should also have a clear vision on how this 'idea' will grow, and maintain a good return on investments year after year (Hess, 2013).

**Table 5.20: Reasons why students want to open restaurants**

Question	Reasons for wanting to open a restaurant	CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
15: Why do you want to open a restaurant?	Always wanted to	40	52	3	20	39	42
	High demand for their concept	5	6	5	30	14	15
	Concept is a safe investment	14	18	7	37	26	27
	Other	18	24	2	13	15	16
	<b>Total</b>	77	100%	17	100%	94	100%

It appears that the 78% of students who study F&B management and would like to open a restaurant in the future (see Table 5.19), had long held this ideal (42%), believed that there was a huge demand for their business idea (15%) or that their business idea would be a safe investment (27%). This indicated to the researcher that most of the graduates did have a business proposal in mind that they would like to develop in the future.

#### 5.2.8.4 Best restaurant-type for sustainability

Fernandez (2013) and Appels (2013) stressed that opening a new, individually-owned restaurant is much more risky than opening a franchise or a restaurant that is individually-owned, but has been in operation for three or more years.

**Table 5.21: Students' perceptions of lowest-risk type of restaurant to open**

Question	Best restaurant type to open	CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
16: What type of restaurant do you consider best to open?	New, individually opened	33	43	5	29	39	42
	Restaurant open for at least 3 years	24	31	6	35	31	32
	A franchise operation	12	16	3	18	12	13
	Other	8	10	3	18	12	13
	<b>Total</b>	<b>77</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>94</b>	<b>100%</b>

The results show that the majority of students (42%) have the ideal of opening a new restaurant, which is individually owned. According to Fryer (2013:35), Niemand (2009:23) and Parsa, Gregory and Terry (2013:307) small, individually-owned restaurants are more at risk of failing than larger franchises because smaller restaurants often lack the necessary resources. However, collectively, the less-risky options (franchise and pre-existing operation) rated 47% overall.

#### 5.2.8.5 Sources of financing for a new venture

The researcher needed to determine if the students had given thought to how to obtain financing for their restaurant. All the restaurateurs interviewed agreed on the need to have sufficient financing in place before opening a restaurant. Lombard (2013) argued it is pointless for a manager to open a restaurant if he/she did not have the capital for the business venture. Botes (2013) added a good restaurant manager should have strong entrepreneurial skills and should know how to generate funds to ensure sufficient operating cash, to avoid having to pay high interest rates on loans.

**Table 5.22: Measures taken by students' to obtain financing**

Question	Measures to obtain finance for new restaurant	CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
17: Measures to obtain finance for a future restaurant?	Haven't thought about it	54	70	11	65	64	68
	Started to save for it	3	4	3	18	6	6
	Started strategizing and identifying potential investors	10	13	1	6	12	13
	Other	10	13	2	11	12	13
	<b>Total</b>	<b>77</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>94</b>	<b>100%</b>

Over two thirds (68%) of students overall had not given any thought to how they would obtain the necessary finances to open a new restaurant. This result indicates that the curriculum of CPUT and CUT hotel schools does not give students sufficient mentoring on ways to source the finances that would enable them to open a restaurant.

#### 5.2.8.6 Obtaining financing for a new venture

Eichel (2013) explained that it is difficult to get business financing as most commercial banks consider restaurants 'high risk investments'. Fryer (2013) added that most people are not able to obtain personal finance or bank loans to open a restaurant and therefore have to turn to outside investors. Knowing how to obtain finance is vital as a restaurant manager will not be able to open any restaurant without having sufficient finances (Homes, 2013).

**Table 5.23: Students who know how to obtain the necessary financing**

Question	Knowledge of how to obtain finance for a new restaurant	CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
18: Do you know how to obtain the necessary financing?	Yes	35	45%	5	29%	40	42%
	No	42	55%	12	71%	54	58%
	<b>Total</b>	<b>77</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>94</b>	<b>100%</b>

Most students (58%, including 55% from CPUT and 71% from CUT) did not know how to obtain necessary finances necessary to open a restaurant; 42% however responded in the affirmative.

Together with the results of Question 17 (Table 5.22 above), these results confirm that the curriculum of CPUT and CUT hotel schools does not give students sufficient mentoring on planning for financing, and the different ways to obtain the finances necessary to open a restaurant in the future.

#### 5.2.8.7 Costs of a new venture

The researcher needed to determine whether the students had given any thought on how much money would be need to open their dream restaurant.

Prince (2013) stated that the first step in opening a restaurant is to determine how much money will be needed to cover all capital and operating expenses, and to draw up a proper business plan. Botes (2013) pointed out that calculations must be accurate, because if a restaurateur were to underestimate the needs, the restaurant would run out of money before it became profitable. Steyn (2013) noted the amount of financing needed depends on the size and type of restaurant that is to be opened.

Bouwer (2013) added that opening a restaurant does not only include costs, like purchasing food stock, but funds to obtain, set up or renovate a property, obtain the necessary permits, purchase operating material (like ovens, grills, crockery, cutlery), design the menu and restaurant image, and make the market aware of the business. Jones (2013) recommended the restaurateur should ensure reserve funding to cover at least six to twelve months of operating expenses to carry the business until it becomes profitable. Lombard (2013) advised that a new restaurateur should start off with a small restaurant that had low startup costs, and suggested finding a small restaurant space, giving it a good makeover, and ensuring that one serves consistently good food, and provided good service. Once the business is successful the restaurateur can start to expand the business. A restaurateur can save money through first leasing the property before purchasing it (Bouwer, 2013).



**Table 5.24: Students' perceptions of total financing required to open a new restaurant**

Question	Amount of finance for new restaurant	CPUT 77		CUT 17		All students 94	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
19: How much money do you think you will need?	Don't know	26	34	7	41	33	35
	Enough to cover at least 3 months of operations	23	30	3	18	33	35
	At least R200 000	12	16	1	6	12	13
	Other	16	20	6	35	16	17
	<b>Total</b>	77	100%	17	100%	94	100%

The results show that 35% of students did not know how much financing they will need; 35.1% had estimated that they will need enough finances to support the business operation for at least three months; 12.8% stated that they would need at least R200 000, and 17% stated other amounts.

The results indicate that the training provided by CPUT and CUT hotel schools does not encourage students to develop the business plan that they have in mind to open in the future.

#### 5.2.8.8 Determination to open a new restaurant

The research needed to determine if the students took the questions above into consideration if they planned to open a restaurant. Many different aspects need to be considered when a restaurateur opens a restaurant (Gerber, 2013). Lombard (2013) explained that a restaurant manager needs to plan his/her business strategy well, and consider elements that will set the restaurant apart from any other restaurant businesses to ensure that the business will be successful. Differentiating the restaurant makes marketing it easier, and the most effective marketing is through word-of-mouth and repeat business (Moolman, 2013).

**Table 5.25: Students who still feel confident in opening a restaurant**

Question	Confident to open a new restaurant	CPUT		CUT		All students	
		Frequency	Percent	Frequency	Percent	Frequency	Percent
20: Do you still feel confident in opening a restaurant?	Yes	45	58%	12	70%	57	60%
	No	32	42%	5	30%	37	40%
	<b>Total</b>	77	100%	17	100%	94	100%

Sixty percent of students (58% from CPUT and 70% from CUT) still felt confident of opening a restaurant in the future and 40% did not.

Even though Question 14 (Table 5.19) revealed that 78% of students had the desire to open a restaurant, 58% of students (Question 18, Table 5.23) said they did not know how to obtain the necessary finances, and 68% of students had not given thought to how they would obtain financing (Question 17, Table 5.22).

These results, together with the results above and those obtained from Question 19, indicated levels of wishful, ungrounded thinking that are a source of concern. They confirm to the researcher that the training provided by both hotel schools needs to put greater emphasis on the need for students to give their business idea proper thought and development.

#### 5.2.8.9 Theme results and analysis

Major findings for this section were

- In general the students had between one and three years of management experience;
- Even though four out of five students dreamed of opening a restaurant after they graduate, a number of students (15%) were not aware of the different risk factors different restaurants entail;
- 75% of students consider themselves having the skills and knowledge necessary to open and operate a commercial restaurant successfully;
- 22% of students did not consider opening a restaurant in the future.
- 42% of students consider private, individually-owned restaurants a safer investment;
- A fair amount of students (35%) failed to give sufficient thought about how to obtain the finances necessary to open their 'ideal restaurant';
- The majority of students (60%) felt confident in being able to successfully open and operate a restaurant after completing the questionnaire.

Da Silva (2014:14) explained the importance of knowing how sufficient funding will be made available and recommended that a restaurateur can determine how much funding will be needed by defining what start-up capital will be needed to open the restaurant, and support the restaurant until it is profitable.

Overall, the results in this theme indicated to the researcher that the curriculum offered by CPUT and CUT hotel schools is relevant to preparing students how to open and operate commercial restaurants successfully, but more attention should be given to training students with sufficient strategic skills and dealing with investors. Looking at the major results above, and taking the positive average scores to each of the previous themes we see that 57% of students felt confident in operating supporting computer systems; 68% felt they had sufficient business strategy skills; 69% sufficient financial skills; 78% sufficient operating skills; 83% sufficient marketing skills, and 94% sufficient social skills.

The researcher's main concern was that most students did not know how to generate money. According to the outcome of Question 17 (Table 5.22), 68% of students did not know how to implement strategies to generate sufficient finances to open their restaurants.

Most restaurateurs advised that in starting up, one should consider opening a franchise or purchasing a business that had been in operation for at least three years, as these businesses were more likely to succeed than opening a new, individually owned restaurant. In answer to Question 16 (Table 5.21) 47% of students did consider opening a franchise or purchasing a restaurant that had been in operation for at least three years.

However 42% of students (the largest category in this question) ignored this advice and planned to open a new, individually-opened restaurant, the riskiest type of investment. Although 85% (based on the positive responses of Question 5) of students believed they were aware of the possible challenges they might face if they chose to open a restaurant, as indicated by Questions 1, 5, and 18 (Tables 5.2 and 5.23) 56% indicated that they did not know how to obtain the necessary finances, which is a major challenge. According to Question 19 (Table 5.24), 35% had not yet taken the initiative to calculate how much financing they would need to open the restaurant of their choice.

These responses suggest that a number of students had not considered opening a restaurant in proper detail. In comparing Question 2 with Question 20, 6% fewer of the students felt competent in opening a restaurant after they had completed the questionnaire.

The researcher strongly feels that it is necessary for graduates to prepare accurately for their business venture, covering every detail from ensuring that the restaurant has an attractive image, to implementing a menu that is in high demand as well as being cost and time efficient.

In the comments that the students made in the questionnaire, most students tended to blame poor training for their own failures. They need to realise that they should take responsibility for their own success. Question 3 revealed that only 44% were willing to work shifts at night, over week-ends, or on public holidays. All the interviewed restaurateurs indicated it was possible to run a restaurant that operated only during office hours, but to obtain true financial success a restaurant needs to be open when customers were able to access it, which usually outside of office hours (Eichel, 2013; Meiring, 2013; Snyman, 2013).

Question 14 revealed that 78% of students had the desire to open a restaurant; of these, based on their written comments, 17% had the idea of hiring a manager to manage the business. Most of these students did not perform well in Question 9 (Financial skills), making it questionable whether they would be able to analyse business reports, which puts them at risk of not being able to see the financial risks that their idea could involve. The researcher strongly feels that for graduates to operate a restaurant successfully, they should be willing to be present at the restaurant most of the time, ensure customers receive remarkable service that will encourage good word-of-mouth advertising and ensure as many people as possible are served.

## **5.3 Comparison between CPUT and CUT results**

### **5.3.1 Overview of results**

The questionnaires suggested that most students do feel confident in understanding business success, as indicated in Theme One, questions 1–5. Theme Two revealed that students in general feel confident in applying basic computer skills, but identified room for improvement in the curricula in training students on how to use less familiar computer programs that are also popular in restaurants.

Even though most students stated they felt comfortable in applying basic financial skills, marketing and social skills as indicated in Themes Five, Six and Seven, the data revealed that the curricula does not make sufficient provision in preparing students how to apply financial, marketing and social skills effectively to convince potential investors to invest.

Theme Four identified that the only operational skill most students felt uncertain about, was the ability to compile a wine list.

### 5.3 2 Discrepancies in response between CPUT and CUT

Significant differences between the response parties of CPUT and CUT were found on several occasions without explanation. One possibility is the differences in the quality and quantity of the respondent samples: only 17 students from CUT were selected over a one-year period, while 77 CPUT students were selected over two years because of their availability and proximity to the researcher.

Draper (2015) noted that CPUT students are exposed to mainly using computer programs like Micros, with little exposure given to less familiar programs, causing students to be less competent in operating programs such as Pilot, as required by the hospitality industry in Cape Town.

Davids (2014) observed that CPUT students find most finance subjects intimidating because of having wrong perceptions about finance, not obtaining a proper foundation during high school and not having any industry exposure. Because the CPUT student selection criteria do not require students to have a minimum level of finance training, the level of trained students differs greatly; this results in the university having to spend time training up students to the required level, leaving less time available to spend on training in important financial aspects such as budgeting and compiling financial plans (Davids, 2014). She added that CPUT provides only basic training on budgeting, and students are exposed to feasibility studies and more advanced budgeting only during their fourth year of studies.

During an interview with CUT lecturers, they agreed financial subjects are very intimidating as most students do not like numbers and are afraid of making mistakes. Calculating menu prices, food costing and the average spend-per-head is taught to CUT students during their first year but as these are not practiced in the second and third years, students often tend to forget how to do perform these functions (Ras,2013; Crowther, 2014; Minnaar, 2014; Hattingh et al., 2015).

CUT places strong emphasis on the importance of communication and leadership skills during the first two years of the course, and even though these skills are applied in theoretical and practical environments, some students tended to shy away because they had not developed self-awareness in dealing with people, often lacked confidence and might find the subject contents overwhelming (Ras,2013; Crowther, 2014; Minnaar, 2014; Hattingh et al., 2015). These CUT lecturers found it interesting that fewer than half of CUT students felt competent to stay up-to-date with industry changes and speculated that students might feel

this way because they did not have enough experience to adapt themselves to hospitality changes; however they felt that students would become reassured once they were exposed to different environments. Finally, they acknowledged that even though the curriculum offered by CUT teaches students how to negotiate and conduct staff disciplinary hearings, these can be perceived as difficult. In particular students shy away from practicing disciplinaries as they feel uncomfortable having to discipline people. For students to gain more confidence in their financial and people skills, they should be exposed to these in practice in real environments, which would allow them to apply what they had been thought in theory (Davids, 2014).

#### **5.4 Chapter summary**

This chapter tabulated and graphed the data obtained through the questionnaires, and analysed the results. From this a good understanding was obtained of students' opinions on their ability to comply with hospitality industry requirements for opening and managing a restaurant. In turn, this gave an insight into the perceived relevance and efficacy of the training provided by the CPUT and CUT hotel schools.

The students thought they would perform well as in most questions the majority responded they did feel competent in applying the necessary financial, operational, marketing and social skills. Even though the results demonstrate that the curriculum offered by CPUT and CUT is relevant, the results also suggested that not enough emphasis is placed on mentoring students in developing 'a plan of action' of opening their own restaurant as indicated in Questions 13-18.

In Chapter Six the researcher will discuss and compare the results in more detail, and will then be able to present recommendations to satisfy the objectives.

# CHAPTER SIX

## CONCLUSION AND RECOMMENDATIONS

### 6.1 Introduction

In this chapter the researcher will answer the research questions, summarise the research objectives, make recommendations on the research outcomes and make recommendations on possible future research.

Underlying the research was the possibility of hotel schools contributing to the goal of five million new jobs by 2020 (Maseko, 2014) by equipping the NDHM:FB students to open successful commercial restaurants.

### 6.2 Research Questions

From the results obtained from the research, the researcher was able to answer the following research questions:

*Question One: What were the objectives of the current curricula offered by the Universities of Technology Hotel Schools in South Africa?*

The researcher found that CPUT aims to create and sustain academic excellence by providing frameworks and plans to guide teaching and learning, research and community engagement (CPUT, 2013:2). CPUT aims to execute their 2020 strategic plan through implementing the following themes:

- Being more innovative in research fields as they strive to find new solutions to real issues in society and to encourage innovation in curriculum designs.
- Seeking new ways to strengthen partnerships with business, to infuse more work-related experience into the curricula.
- Building a sustainable institution through careful stewardship, cost-containment and strategic budgeting.
- Pursuing strategies to enhance social transformation.
- Building a university that is highly efficient, sustainable and environmentally conscious, through attracting and retaining the best staff and students possible.
- Creating a vibrant, enabling and well-resourced living and learning environment for the students (CPUT, 2013:2).

The research also confirmed that CUT (2014:1) are aiming to become a university that focuses on producing quality and technological innovations for socio-economic development, primarily in the central region of South Africa. CUT stated in their 2020 strategic plan that they are aiming to:

- Encourage social and technological innovations.
- Implement factors to measure their successes.
- Choose an attractive approach to socio-economic development.
- Offer a location that is unique and offer relevant resources.
- Encourage excellence through promoting quality (CUT, 2014:1).

The researcher feels that both universities can achieve these goals through introducing more 'out of the box' subjects that encourages student to shape their future dreams into a reality.

Therefore the researcher recommends that both universities consider developing entrepreneurial incubation programmes. These should allow students to develop their own business ideas and put them into practice. Students should be guided step-by-step on how to go about generating the necessary finances to actually start their business venture. Once their idea has been fully developed, the academic institution should network the students into the right financial support channels, and provide a supporting base to the students for the first three years after they have opened their own business. By doing so, both universities would be able to encourage innovative thinking and contribute to socio-economic development. As mentioned repeatedly throughout this study entrepreneurs contribute greatly to creating jobs.

Both universities should also consider increasing partnerships partnering with industry-related businesses as these can become more involved in coaching and providing financial support to the students, or they could be used to provide personal support to individual students by providing one-on-one mentoring to selected students.

An alumna society of successful students should be created that could be used in turn to assist other students who would like to open a restaurant in the future. These steps would position both hotel schools as being one step ahead of their competitors and being lead training institutions.

Even if only the five top performing students were selected for mentoring, this would motivate other students to perform better, which in turn, would align with both universities' ideals of encouraging excellence.



*Question Two: Is there a demand for graduates to open a restaurant?*

It was determined that a number of students who participated in the research were interested in opening their own restaurant in the future. According to Question 14, 78% of the respondents had this ideal. Most desired to open either a coffee shop or a franchise, but some students had more creative ideas of different types of restaurants, such as opening food trucks or bakeries.

According to the comments provided, rather than open their own restaurant, 22% of respondents had the ideal of becoming Food and Beverage Managers in hotels, or working for companies that cater for large corporations because they felt more comfortable in having a good secure monthly income and reasonable working hours.

Based on the literature review conducted in Chapter Two, the researcher recommends that students should start off with opening a food truck as it is a fairly feasible idea, and is fast becoming a new trend in South Africa. This type of business has lower startup costs and operating expenses, and can move to different locations on a daily basis, keeping their clientele informed of their location with the use of social media like Facebook and Twitter. They will be a good stepping stone in generating the finances necessary to open a fixed-locality restaurant. Even after opening a restaurant, the food truck can be used as a marketing tool or to provide financial support to the restaurateur.

Taste magazine (2014:1) reported food trucks are one of the biggest trends in years, especially for customers who are looking for a new dining experience. Gourmet food trucks have given rise to offshoots including food truck festivals, where trucks would feed hundreds of customers with everything from braised pork belly on steamed Chinese buns, to double-chocolate and sea salt ice cream sandwiches.

Maseko (2014) supports this idea through stating that many entrepreneurs are considering food trucks, or even food bikes, as it is very cost efficient and allows their business to be easily accessed by their target markets.

The researcher suggests students consider developing menus based on a 'build your own' concept that allows customers to create their own breakfasts, pizzas or burgers. This will aid customers to order only the food that they want, which will exclude unwanted side salads or garnishes that the customer ends up paying for and wasting. The restaurateur will also be able to charge more attractive prices on menu items as certain hidden costs will be eliminated and food cost can be easily controlled.

Restaurant consumers' lifestyles are continuously becoming more fast-phased, meaning that consumers continue to look for food that has value for money and is easy to obtain (Taste magazine, 2014:1). The NRASA (2015:1) added that media stories make consumers more aware of the enormous amounts of food restaurants waste, and reported that consumers are becoming more selective in what they buy and what is being wasted. 'Want not, Waste not' is becoming one of the hottest menu trends as food waste and management is at the forefront of restaurant operations (NRASA, 2015:1).

The specific objective set have not been fully answered as the interest shown by candidates to open a restaurant did not determine whether there was a demand to actually open an operation.

*Question Three: What knowledge and skills are required to open and operate a successful commercial restaurant?*

The researcher determined that operating any restaurant will always face a risk of failing and that the most important success factor is that a restaurateur should be willing to make the necessary sacrifices, while maintaining a healthy balance.

Ajzen (1991:179) made an important statement in the early '90s emphasising the fact that individuals who fear failure develop the perception that they are unable to control the behavior required to create an organisation. The researcher agrees with this statement and believes graduates would be able to accomplish achievements if they had the required confidence.

Operating a restaurant is constant trial and error and requires plenty of innovative thinking. A restaurateur should be willing to take risks and have a focused mind-set that is always willing to solve problems, rather than to make excuses.

Based on the information obtained from the literature reviews and interviews conducted with restaurateurs, it is necessary to be a good all-rounder whether it is cooking the food in the kitchen or conducting stock take. All aspects go hand-in-hand with and influence one another and a restaurateur should understand this, to understand how his or her business operates and how it would be able to generate maximum profit.

From the information obtained the researcher has summarised the top ten skills and knowledge required by restaurateurs:

1. Problem-solving skills and the ability to make accurate decisions.
2. People skills to build strong relationships with customers, suppliers and staff.

3. Quality management skills to ensure that the restaurants and its staff are able to provide food and service that is consistent and of a good standard.
4. Theoretical and practical knowledge of food and beverages to understand how it should be stored, prepared and to determine if any errors were made.
5. Communication skills to be able to communicate effectively to customers, suppliers and staff.
6. Marketing skills to be able to make the desired target market aware of your business.
7. Financial skills to ensure the implementation of well organised and structured accounting systems that can help solve financial issues.
8. Human resource skills to ensure that capable and committed staff is recruited and to reward their performance by developing key competencies. The researcher feels a restaurateur can gain competitive advantage by using people effectively, drawing on their experience and ingenuity to meet objectives.
9. Technical skills, to manage the equipment used in the restaurant effectively.
10. The ability to be a self-starter with high level of productivity and sense of ownership. A restaurateur should also be able to have the ability to take risks, learn quickly and apply knowledge to new situations.

*Question Four: How can a restaurateur ensure that a restaurant is successful?*

It is clear that no restaurant is guaranteed success, but the more effort and homework a restaurant manager is willing to put in, the more likely the restaurant would be successful.

The literature review conducted in Chapter Two, and the interviews with restaurateurs both covered the different aspects of operating a successful restaurant. From these the researched has summarised the following factors that will contribute to a restaurant's success:

- Aim to be remarkable to encourage word of mouth by the customers.
- Aim to serve as many people as possible constantly.
- Ensure that the restaurant looks attractive and has proper signage to attract passing customers.
- Marketing the business effectively by being actively involved in social media to create a loyal online community and creating motivation for free press.
- Employ staff that have personality and are willing to go the extra mile for their customers.
- Implement a menu that is simple to prepare and yet delicious. Eichel (2013) recommended finding ways that different menu items could be reused to minimise wastage.
- Provide safe parking for customers.
- Ensure that the restaurant is in the right location that is easy to access by the target market.

*Question Five: When is a restaurant considered successful?*

The research determined the criteria used to qualify a restaurant as 'successful'. In the interviews with the restaurateurs, most agreed with the simple definition that a business is successful once its income exceeds its expenses, but most added that the restaurant should be able to generate a profit for at least three consecutive years before they would regard it as successful.

*Question Six: What are the main reasons why restaurants fail?*

Based on the information obtained from the research conducted, the researcher can summarise the main reasons why restaurants fail as follows:

- Restaurant owners do not have sufficient restaurant management experience and fail to be actively involved in their business
- Poor people management and relations.
- Poor accounting and cash flow management skills.
- Poor knowledge about food, beverages and stock control.
- Poor location and restaurant layout with a poor ambiance.
- Failure to provide consistent food and service that is considered good value for money.
- Poor marketing strategies.

*Question Seven: Is the curriculum offered by University of Technology Hotel Schools in South Africa relevant in preparing students to operate a successful commercial restaurant?*

The researcher determined from the data obtained from the questionnaires completed by the students(see Chapter Five), that the majority did consider themselves to have gained from the curriculum the skills and knowledge required to be able to open and operate a commercial restaurant successfully.

Sixty-six percent of respondents had the right perceptions about restaurant success, 58% felt comfortable in operating supporting computer systems, 70% felt positive in implementing different financial skills, 78% felt capable in applying operational skills, 68% considered themselves able to apply strategic skills, 83% felt confident in applying marketing skills and 95% of the respondents considered themselves as having sufficient social skills.

From these results the researcher concluded that 74% of respondents considered themselves as having sufficient skills and knowledge to open and operate a commercial restaurant successfully.

*Question Eight: Is there any area in the curricula offered by University of Technology Hotel Schools, as sampled through CPUT and CUT, which can be further developed?*

The researcher determined that the CPUT and CUT do offer a curriculum that is relevant to industry, as the students who have completed a NDF:BM have sufficient theoretical knowledge. However, the researcher makes the following recommendations: University of Technology Hotel Schools in South Africa should

1. Have more accurate systems in place to review the relevance of their curriculum on a more regular basis, by forming stronger bonds with industry.
2. Review the experiential learning offered to students who do wish to open their own restaurant, and look into finding ways of teaching that will allow learners to apply what they have been thought effectively.
3. Consider developing a subject that would develop the entrepreneurship skills and confidence of students to provide a stepping stone for students to successfully open a commercial restaurant.

### **6.3 Recommendations from the research**

Even though the research has proven that the training provided by CPUT and CUT hotel schools was sufficient to enable a graduate to open and operate a successful commercial restaurant, the researcher still found that most of the students failed to start up their own restaurants as they either leave the industry or decide to work for bigger companies where they have a secured source of income.

At the Startup South Africa conference held in Cape Town in 2014 it was indicated that South Africa is aiming to develop five million new jobs by 2020 and entrepreneurs had the ability to do just that. Jordaan (2014) argued that academic institutions can contribute to enabling more entrepreneurs to open their own businesses through adjusting their training facilities by providing free wifi, having all learner guides as e-books and directing courses more towards the job market. Maseko (2014) added that academic institutes should look at ways to train students with functional skills rather than historical skills, through creating an environment where students can use their initiative, and are allowed to take risks. A culture of using imitative and taking risks can be developed through the following:

- Making sure that students know the importance of constantly using innovation and taking risks.
- Creating an environment where students can empower them-self.
- Allowing students to take risks make mistakes and learn from them.
- Celebrating the students who achieved innovation and making heroes of them, and

- By creating an enabling environment for students that focuses and invest in student support (Jordaan, 2014).

Ndgama (2014) noted that it is not enough to have a “bright idea”; this idea should be capable of being developed into a viable business venture. For this reason the researcher argues that all entrepreneurs need the right training and academic institutes should provide training to ensure that restaurant entrepreneurs do not fail once they have chosen to open their own restaurant. Students should start doing things and while they are doing it, academic institutes should coach them to give them more ideas (Bates, 2014). This can be achieved through getting industry-related businesses to provide more support to academic institutions (Ndgama. 2014).

The researcher recommends:

1. Restaurant entrepreneurship programmes to be made available for students that want to open their own restaurant. These programs are to act as a pilot programme and will run as an incubation programme.
2. The hotel schools to form stronger bonds with companies like the Red Door and the business place which can assist them in the incubation process.
3. Get restaurant owners from industry more involved so their input can be used to mentor and guide the students in the right direction.
4. Place more emphases on teaching students personal financial skills like knowing how to generate money, the complications of bad spending habits and how to save money effectively.
5. Promote industry involvement in curriculum through guest speakers or providing opportunities for students to do job shadowing or relevant industry practical exposure.

## **6.4 Recommendations for further study**

In light of the limitations of the research, the following recommendations for further studies are made:

1. Finding ways to develop the right mind set of students and develop more business model innovation courses for them.
2. Finding ways to get industry-related businesses more involved.
3. Investigating why so many graduates fail to open a restaurant after graduation.
4. Developing a training program that has a strong financial, practical and theoretical aspect in operating restaurants.

## **6.5 Chapter summary**

This study investigated the research aims and objectives and the researcher was able to make recommendations to the hotel schools, and recommendations for further studies from it.

The researcher recommends that this study should be continued in depth to gain a more detailed analysis, and should be monitored regularly to achieve consistent measurement over a period of time.

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SACHE see South African Council on Higher Education

SADBE see South Africa. Department of Basic Education

SADC see South African Department of Commerce

SADHET see South Africa. Department of Higher Education and Training

SADT see South Africa. Department of Tourism

SAGRA see South African Graduate Recruiters Association

SAQA see South African Qualification Authority

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YRI **see** Yum Restaurants International

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**APPENDIX A:**  
**LETTER OF PERMISSION TO CONDUCT RESEARCH AT CPUT**



To whom it may concern

My name is Annadia van der Merwe and I am currently completing my Masters in Tourism & Hospitality at the Cape Peninsula University of Technology.

The research that is being undertaken is to determine if students completing their 3<sup>rd</sup> year in Hotel Management would be able to open and operate a successful restaurant. In order for me to get ethical clearance to carry on to the next section of my Masters, I need to get permission from your Hotel School that you will be willing to assist me by allowing me to distribute questionnaires to your 3<sup>rd</sup> year students.

These questionnaires will be a written component which will enable me to measure the level of skills the students. The outcomes will then be compared to the required skills needed to open a restaurant to determine if they would be able to open and operate a restaurant successful. These set skills will be determined by successful restaurateurs.

All the information that is supplied in this questionnaire will be treated as **confidential** and will only be used for the purpose of this research. Access to the questionnaires is restricted to my supervisor and me. If you would like to obtain a summary of the results of this research, I would be happy to send it to you.

This letter serves to confirm that the Central University of Technology (CUT) Hotel School will be willing to assist me with the completion of the questionnaires in the future.

Name of Hotel School representative:

Rianne Voigt  
Head of Department

Signature of approval:

pp 

## APPENDIX B:

### LETTER OF PERMISSION TO CONDUCT RESEARCH ON CUT



To whom it may concern

My name is Annadia van der Merwe and I am currently completing my Masters in Tourism & Hospitality at the Cape Peninsula University of Technology.

The research that is being undertaken is to determine if students completing their 3<sup>rd</sup> year in Hotel Management would be able to open and operate a successful restaurant. In order for me to get ethical clearance to carry on to the next section of my Masters, I need to get permission from your Hotel School that you will be willing to assist me by allowing me to distribute questionnaires to your 3<sup>rd</sup> year students. These questionnaires will enable me to measure the level of skills the students have and compare it to the required skills needed to open a restaurant to determine if they would be able to open and operate a restaurant successful.

All the information that is supplied in this questionnaire will be treated as **confidential** and will only be used for the purpose of this research. Access to the questionnaires is restricted to my supervisor and me. If you would like to obtain a summary of the results of this research, I would be happy to send it to you.

This letter serves to confirm that the Central University of Technology (CUT) Hotel School will be willing to assist me with the completion of the questionnaires in the future.

Name of Central University of Technology (CUT) Hotel representative:

Mrs Grethé Muller

Acting Programme Head: Hospitality Management

Signature of approval:

A handwritten signature in black ink, appearing to read "G. Muller", is written over a horizontal line.

**APPENDIX C:**  
**LETTER OF PERMISSION TO CONDUCT INTERVIEW WITH**  
**RESTAURATEUR**



Subject: Letter of authorization to conduct research

Dear restaurateur

This letter serves as authorization for Annadia Van der Merwe (**210 245 522**) from Cape Peninsula University of Technology to conduct research entitled: Relevance of the curriculum of selected South African hotel schools in preparing students to operate a successful commercial restaurant.

The aims of the research are to determine the likelihood of a third year graduate successfully to open and operate a commercial restaurant and if the curricula implemented by hotel schools are relevant. You are invited to participate in this research by completing the attached questionnaire. Honest opinions will be appreciated. In participating you will guide the researcher on what skills, knowledge and experience you recommend a third year graduate should have to become a restaurateur. The information supplied in the interview will be treated as confidential and will only be used for the purpose of this research. Access to the questionnaire will be restricted to my supervisors and myself. A summary of the results can be made available by the researcher on request.

This letter serves to confirm that the party as indicated below gives authorization for the researcher to conduct research on the business.

Yours sincerely,

Annadia Van der Merwe (Cell:072 383 9714)

\_\_\_\_\_  
Name of authorised signatory

\_\_\_\_\_  
Title of authorised signatory

\_\_\_\_\_  
Facility's authorized signature:

\_\_\_\_\_  
Date:

## **APPENDIX D: CPUT HOTEL SCHOOL CURRICULUM**

### **1. Title of the qualification: National Diploma in Hospitality Management**

*The core of the learning programme revolves around the development of potential managers with a sound operational background. Operational electives are offered in the second and third year of study to provide for specialised areas within the field of hospitality.*

***The area of specialization is indicated as follows:***

*National Diploma Hospitality Management (Accommodation)*

*National Diploma Hospitality Management (Food & Beverage)*

*National Diploma Hospitality Management (Professional Cookery)*

### **2. Rationale for the qualification**

The South African tourism industry shows continued growth with a clear demand for well-qualified staff within the corporate and entrepreneurial sector. This Diploma matches the job profile of *operational staff with supervisory responsibility* in the Hospitality Industry.

### **3. Level, credits and learning components assigned to the qualification**

Intermediate professional qualification on NQF Level:	6
Minimum total credits:	240
Minimum credits at NQF Level 5:	90
Credit composition: Fundamental:	12
Core:	36
Elective:	72

### **4. Access to the qualification**

Qualification entry level: National Certificate: Hospitality Management

## 5. Field and sub-field of the qualification

(Services)Subfield: Tourism, Travel, Hospitality, Sport, Leisure and Gaming

## 6. Purpose of the qualification

The learner will be competent in a variety of operational, interpersonal and analytical skills which supervisors use in carrying out of hospitality operations. The learner will have developed a sound foundation to progress into a managerial position.

## 7. Learning assumed to be in place

Upon entry to the National Diploma: Hospitality Management, it is assumed that learners should have successfully completed the National Certificate: Hospitality Management or equivalent (120 credits).

<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<i>(Hospitality Information Systems)</i>  To be capable in applying technology to communicate information effectively in order to promote the interests of the Hospitality Industry in a changing business environment.  (Foundational and practical competence.)	Compile reports and presentations using appropriate software such as word processing, spreadsheets and presentation packages.  Convey critical information through presentations according to professional standards.	Reports are compiled and presentations are made using word-processing, spread sheet and presentation software according to professional standards.

EXIT LEVEL OUTCOMES	SPECIFIC OUTCOMES	ASSESSMENT CRITERIA
<p><i>(Hospitality Management)</i></p> <p>To be capable in applying a range of hospitality business skills which will contribute to effective decision-making, as well as the execution and supervision of hospitality operations.</p> <p>(Foundational, practical and reflective competence.)</p>	<p>Explain basic components of marketing and develop and implement a sales promotion.</p> <p>Explain the development of labour relations in South Africa and describe the legislative framework supporting the management and development of human resources.</p> <p>Describe the components included in the planning and organisation of human resources in the context of the hospitality industry (human resources planning, analysis of the workplace, the employment process, selecting, hiring, placement and retention.)</p> <p>Describe the components included in the development and evaluation of human resources in the context of the hospitality industry (orientation, training, career development, performance appraisals, staff retention, reward systems, employee assistance programmes and discipline).</p>	<p>The principles of marketing are applied through the planning and presentation of a promotion based on hospitality products.</p> <p>Hospitality supervisors apply Human Resources Management and Development functions applicable to their delegated area of responsibility according to professional Hospitality Industry standards.</p> <p>The principles contained in the range of laws applicable when setting up and operating a hospitality enterprise are correctly interpreted.</p>

	<p>Explain the role of labour unions in the work place.</p> <p>Discuss the impact of the Liquor Act, the Tobacco Controls Act and South African food legislation on hospitality enterprises.</p> <p>Discuss the different business structures available to entrepreneurs.</p> <p>Identify the different legal requirements (licenses, signage, Receiver of Revenue) required to manage a hospitality enterprise, as well as insurance options available to entrepreneurs.</p>	
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<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(Hospitality Financial Management)</i></p> <p>To be capable in applying a range of financial management tools to contribute to effective decision-making and sustainability of the hospitality enterprise.</p> <p>(Foundational, practical and reflective competence.)</p>	<p>Explain the purpose and advantages of the uniform system of accounting.</p> <p>Apply the principles of accounting in order to prepare departmental statements for revenue and support centres of a hospitality enterprise.</p> <p>Explain the principles of hospitality payroll accounting and calculate gross pay, net pay, and regular pay and overtime pay.</p> <p>Describe and apply the accounting considerations involved in the purchase, depreciation, disposal and trade-in of property and equipment.</p> <p>Differentiate between and apply the different accounting principles applicable to the balance sheet, equity statement and statement of income of a proprietorship and partnership.</p> <p>Explain and carry out the basic steps involved in the year-end accounting process</p>	<p>Hospitality supervisors apply the basic principles of accounting in order to contribute to the management of basic financial functions and the contribution of financial information which is required to manage a hospitality operation effectively.</p>



	<p>of a proprietorship and partnership.</p> <p>Explain the purpose, use and preparation of the statement of income, cited by examples.</p>	
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<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(Accommodation Management)</i></p> <p>To be capable in supervising Front Office and Housekeeping systems to the extent that the expectations of the target market of the Hospitality Industry is exceeded.</p> <p>(Foundational, practical and reflective competence.)</p>	<p>Render all Housekeeping activities and explain its interrelationship with other departments within a lodging unit.</p> <p><i>(Minimum of 4 credits obtained through experiential learning.)</i></p> <p>Supervise Front Office operations within a lodging unit.</p> <p><i>(Minimum of 6 credits obtained through experiential learning.)</i></p> <p>Supervise the maintenance functions of a lodging facility.</p> <p><i>(Minimum of 2 credits obtained through experiential learning.)</i></p> <p>Plan, apply and supervise waste and energy control systems.</p>	<p>Permanent and temporary employees are effectively supervised to perform the daily functions associated with the Front Office, Housekeeping and maintenance of facilities within the Hospitality Industry.</p>

EXIT LEVEL OUTCOMES	SPECIFIC OUTCOMES	ASSESSMENT CRITERIA
<p><i>(Food &amp; Beverage Studies)</i></p> <p>To be capable in maintaining the operational practices and structures of food and beverage service in the Hospitality Industry.</p> <p><i>(Foundational, practical and reflective competence.)</i></p>	<p>Compare and explain differences between South African and international wines.</p> <p>Demonstrate knowledge and the application of advanced methods and control systems applicable to food and beverage service.</p> <p>Describe and apply the protocol and etiquette and special needs required by customers including knowledge and service skills applicable to tobacco service.</p> <p>Demonstrate accurate use of a point of sales system</p> <p><i>(Minimum of 12 credits obtained through experiential learning.)</i></p>	<p>Advanced food and beverage service is supervised and maintained in a variety of restaurants and food service outlets in terms of legislative requirements, operations, costing and control measures.</p>

<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(Culinary Studies &amp; Nutrition)</i></p> <p>To be capable in performing the intermediate preparation of menu items for a range of food outlets found in the Hospitality Industry.</p> <p>(Foundational, practical and reflective competence.)</p>	<p>Plan, prepare and present a range of menu items requiring intermediate skills.</p> <p>Apply basic menu planning to a variety of food service establishments</p> <p>Maintain a safe and hygienic working environment in food preparation areas.</p> <p><i>(Minimum of 10 credits obtained through experiential learning.)</i></p> <p>Describe and apply sound nutritional principles for customer dietary, ethnic and special requirements.</p> <p><i>(Minimum of 2 credits obtained through experiential learning.)</i></p>	<p>Recipes are modified and a range of menu items suited to a variety of food outlets is planned, prepared and presented in order to cater for the nutritional, dietary and cultural demands of various customer groups.</p>

EXIT LEVEL OUTCOMES	SPECIFIC OUTCOMES	ASSESSMENT CRITERIA
<p><i>(Food &amp; Beverage Operations)</i></p> <p>To be capable in performing the operational procedures of a variety of food service outlets in a profitable manner.</p> <p><i>(Foundational, practical and reflective competence.)</i></p>	<p>Explain the scope of the food and beverage industry</p> <p>Evaluate and select a suitable food production system for a specific need</p> <p>Recommend different food and beverage service systems according to organisational needs.</p> <p>Compare quotes on food and beverage equipment and select most appropriate equipment according to organisational needs.</p> <p>Develop standardised recipes for various needs.</p> <p>Explain the concepts of food and beverage administration, purchasing, storage and production procedures.</p> <p><i>(Minimum of 12 credits obtained through experiential learning.)</i></p>	<p>Systems and operations within the Food Service units are planned, forecasted, budgeted and evaluated.</p> <p>Food and beverage administration, purchasing, storage and production planning and procedures are analysed and described.</p>

EXIT LEVEL OUTCOMES	SPECIFIC OUTCOMES	ASSESSMENT CRITERIA
<p><i>(Professional Cookery)</i></p> <p>The capability to efficiently, effectively and economically prepare and serve a range of complex, advanced food menu items with minimal supervision within a safe, hygienic environment.</p> <p>(Foundational, practical and reflective competence.)</p>	<p>Prepare, cook and serve a range of advanced dishes methodologically within realistic time frames.</p> <p><i>(Minimum of 10 credits obtained through experiential learning.)</i></p> <p>Modify existing recipes to meet specialised requirements (e.g. volume production; customer dietary needs, geographical differences; ingredient availability)</p> <p><i>(Minimum of 2 credits obtained through experiential learning.)</i></p>	<p>The modification and preparation of recipes to meet target market requirements and quality standards.</p>

Choice of electives

Option 1: Electives leading to the National Diploma Hospitality Management

(Accommodation): Accommodation Management II

Option 2: Electives leading to the National Diploma Hospitality Management (Food &

Beverage): Food & Beverage Operations II

Option 3: Electives leading to the National Diploma Hospitality Management (Professional

Cookery): Professional Cookery II

**Critical outcomes: embedded in the specified outcomes:**

The qualification is designed and should be presented and assessed in such a way that the following skills of the learner are promoted and developed:

The ability to:

- Take decisions, identify and solve office and information administration related problems.
- Work effectively with others as a member of the administrative function.
- Organise and manage oneself and one's activities to fulfil one's specific role in the administrative/administrative function of an entity.
- Collect, analyse, organise and critically evaluate information to perform administrative/administrative tasks.
- Communicate effectively to ensure the best possible service to the other organisational functions.
- Use science and technology critically to ensure the health of administrative staff.
- Demonstrate an understanding of the dynamics between the different organisational functions as a set of related systems.

## **9. International comparability**

The following international curricula were referenced and adapted to the South African context in designing this qualification:

- The Hotel School The Hague
- The Australian International Hotel School
- The American Hotel and Lodging Association
- The Johnson & Whales University
- The Culinary Institute of America
- The benchmarking group (Unit 25): Hospitality, Leisure, Sport and Tourism, United Kingdom.
- Learnerships and Unit standards developed by THETA

## **10. Integrated assessment**

The learner's ability to integrate the elements of the programme is assessed through case studies, projects, presentations, reports and practical sessions (formative and summative assessment).

## **11. Recognition of prior learning (RPL)**

Unit Standards for hospitality on the NQF are assessed and credited for access to this qualification.

**12. Articulation possibilities with related qualifications**

This qualification provides 120 credits enabling learners to exit at a Diploma level (previously known as a National Higher Certificate) and progress to NQF Level 7, the Bachelors Degree (Current Technikon National Diploma).

**13. Moderation**

At NQF Level 6, the institution appoints internal examiners and moderators.

**APPENDIX E:  
CUT HOTEL SCHOOL CURRICULUM**

<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(IT / Communication)</i></p> <p>To be capable in applying various modes of industry specific information technology to access and communicate information effectively in order to promote the Hospitality Industry in a changing business environment.</p> <p>(Foundational and practical competence)</p>	<p>Identify the need for and type of information, access information and organise information.</p> <p>Illustrate an understanding of the role of computer hardware and software in the Hospitality Industry.</p> <p>Identify various communication skills and techniques (verbal, written, visual) to advance communication within the Hospitality Industry.</p>	<p>A needs analysis for information and application according to set standards.</p> <p>Major software generally used in the Hospitality Industry are distinguished and word processing and spread sheet functions are applied contextually.</p> <p>Communication techniques are applied to various scenarios in the Hospitality Industry.</p>
<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(Occupational Health &amp; Safety)</i></p> <p>To be capable in applying the principles of occupational health, safety and security in hospitality enterprises to maintain a healthy and safe environment for both clients and staff.</p> <p>(Foundational and practical competence)</p>	<p>Demonstrate application of basic occupational safety measures according to local and national legislation.</p> <p>Demonstrate personal-, operational-, food- and environmental hygiene.</p> <p>Control security situations that may arise in daily hospitality operation.</p>	<p>Occupational health and safety measures are applied according to professional standards.</p> <p>Hygiene is exercised in the hospitality workplace.</p> <p>Scenarios impacted on the safety and security of guests is identified and pro-active plans are set up accordingly</p>



<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(Business Skills)</i></p> <p>To be capable in applying a range of business skills applicable to the Hospitality Industry contributing to effective decision-making and the execution of operations.</p> <p>(Foundational, practical and reflective competence)</p>	<p>Relate fundamental management principles and concepts to the hospitality workplace.</p> <p>Describe the dynamics of the tourism and Hospitality Industry according to professional standards.</p> <p>Describe key performance areas within hospitality enterprises.</p>	<p>Broad supervisory and basic management concepts and ethics are explained and applied according to professional standards in the Hospitality Industry.</p>
<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(Operations: Lodging)</i></p> <p>To be capable in applying operational practices associated with the provision of accommodation in the Hospitality Industry.</p> <p>(Foundational and practical competence)</p>	<p>Apply basic reservations and guest check-in/out procedures in a variety of lodging establishments under supervision.</p> <p>Execute housekeeping activities in a variety of hospitality establishments under supervision.</p>	<p>The operational and basic supervisory functions associated with the guest cycle and housekeeping in hospitality establishments are described and performed.</p>

EXIT LEVEL OUTCOMES	SPECIFIC OUTCOMES	ASSESSMENT CRITERIA
<p><i>(Basic Financial Skills)</i></p> <p>To be capable in applying basic hospitality accounting principles to contribute to effective decision-making and sustainability of the hospitality enterprise.</p> <p>(Foundational, practical and reflective competence)</p>	<p>Explain why it is important to understand the basic theory of accounting.</p> <p>Explain the use of generally accepted accounting practice.</p> <p>Describe the components and interrelationship of the different categories of accounting.</p> <p>Explain how VAT is accounted for in a hospitality enterprise; use the accounting equation and record transactions in the different ledgers of a hospitality enterprise.</p> <p>Describe the basic format, content and preparation of the financial records of a hospitality enterprise.</p> <p>Explain the accounting method used in a periodic and a perpetual inventory system.</p> <p>Explain and prepare reconciliations used in month-end accounting procedures.</p> <p>Explain and calculate sales, cost of sales, labour costs, overheads, gross profit and net profit.</p>	

	<p>Calculate the cost price and selling price of food and beverages.</p> <p>Explain and calculate the effect of VAT on the cost price and selling price of food and beverages.</p> <p>Read, format and cost basic recipes.</p>	
<b>EXIT LEVEL OUTCOMES</b>	<b>SPECIFIC OUTCOMES</b>	<b>ASSESSMENT CRITERIA</b>
<p><i>(Customer Care)</i></p> <p>To be capable in applying service exceeding the expectations of the target market of the Hospitality Industry.</p> <p><i>(Foundational, practical and reflective competence)</i></p>	<p>Analyse the market segments served by the different sectors of the Hospitality Industry and distinguish the service expectations of each segment.</p> <p>Identify and describe the location and characteristics of domestic destinations and international countries.</p>	<p>The service expectations of the various markets that the Hospitality Industry serves are analysed and described.</p>
<i>EXIT LEVEL OUTCOMES</i>	<i>SPECIFIC OUTCOMES</i>	<i>ASSESSMENT CRITERIA</i>
<p><i>(Food &amp; Beverage)</i></p> <p><i>To be capable in performing operational food and beverage service in the Hospitality Industry.</i></p> <p><i>(Foundational and practical competence)</i></p>	<p>Prepare and describe the layouts of food service areas.</p> <p>Describe and perform basic service skills.</p> <p>Demonstrate basic theoretical and practical knowledge of the origin, production methods as well as service and control skills related to alcoholic and non-alcoholic beverages.</p>	<p>Restaurant infrastructure and procedures are applied according to professional standards in order to carry out basic food and beverage service.</p>

EXIT LEVEL OUTCOMES	SPECIFIC OUTCOMES	ASSESSMENT CRITERIA
<p><i>(Operations:Food Preparation)</i></p> <p>To be capable in performing the basic preparation of a range of foods for conventional and convenience outlets and to demonstrate an understanding of the operations of a food production unit.</p> <p>(Foundational and practical competence)</p>	<p>Operate and clean food preparation equipment safely and hygienically according to standard professional practice.</p> <p>Apply basic menu planning to a variety of food service establishments</p> <p>Explain the layout and workflow of kitchens and brigade.</p> <p>Demonstrate an application of the preparation of conventional and convenience foods using various preparation methods and skills.</p> <p>Read and format basic recipes.</p> <p>Identify the sources of nutrients for the human body and state their functions.</p>	<p>Food preparation is planned and executed in a safe and hygienic manner according to the demands of a variety of food service establishments.</p>

**Critical outcomes: embedded in the specified outcomes:**

The qualification is designed and should be presented and assessed in such a way that the following skills of the learner are promoted and developed:

**The ability to:**

- Take decisions, identify and solve office and information administration related problems.
- Work effectively with others as a member of the administrative function.
- Organise and manage oneself and one's activities to fulfil one's specific role in the administrative/administrative function of an entity.
- Collect, analyse, organise and critically evaluate information to perform administrative/administrative tasks.
- Communicate effectively to ensure the best possible service to the other organisational functions.
- Use science and technology critically to ensure the health of administrative staff.
- Demonstrate an understanding of the dynamics between the different organisational functions as a set of related system.

## APPENDIX F: INTERVIEW SCHEDULE

**The relevance of the curriculum of selected Hotel Schools in South Africa in preparing students to successfully operate a commercial restaurant**

Type of Restaurant: \_\_\_\_\_ Date: \_\_\_\_\_

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**The aim of the research is to determine the likelihood of a third year graduate opening and operating a successful restaurant. We do understand that confidential information may not be revealed and for this reason we appreciate your own personal opinion as a successful restaurateur.**

**Please answer the questions as accurately as possible**

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### **General**

1. Can you tell us more about yourself, your history, what training you have completed and how you become a restaurateur?

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2. What do you think is the main reason most restaurants fail that was managed by a manager who had completed a 3 year hotel management course?

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3. If a graduate is to open a restaurant, what are the top three skills and knowledge would you recommend he/she should have to be successful?

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4. What type of attitude would you recommend a graduate should have, if he/she wish to open a restaurant?

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5. How many years of restaurant managing experience would you recommend he/she should have before attempting to open a restaurant?

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6. Which restaurant set up will be easier to manage between a franchise and an individually owned restaurant and why?

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7. Name three things a graduate should you keep in mind should he/she wish to open a new restaurant?

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8. How do you determine if the business could be successful?

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9. What kind of problems does a restaurateur often face?

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10. How do you deal with the problems given in questions 9?

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11. What skills and knowledge should you have to be able to plan a menu?

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**Strategy**

12. As a restaurateur, what do you do to create, capture and define value for your business?

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13. What is your restaurant's competitive advantage and what do you do to keep it?

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14. What would you regard as the critical success factor of the business?

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15. In your opinion, what procedures should one follow to ensure the success of a restaurant?

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16. What systems do you have in place to ensure maximum profits?

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17. What systems do you have in place to ensure minimum expenses?

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18. What strategies do you have in place to ensure that the business survives in the lean months?

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19. What support network do you have in place (for example, friends, family, head office and ext.)?

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20. Have you considered what risks are posed to the business and what have you done to mitigate against it?

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21. What are the biggest legal threats to restaurants and what can a restaurateur do to avoid it?

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**Operations**

22. How do you align your operations to your strategy (strategy alignment)

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23. In your own words, please explain how you would implement strategic planning in your restaurant?

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24. What business reports does the business make use of?

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25. How do you go about in analysing business reports and what do you do with the information you obtain from them?

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26. How do you investigate the causes of positive and negative results on restaurant reports?

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27. How do you maintain good relations with suppliers?

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28. How do your suppliers cater to the change in business volumes?

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29. Which of the following computer programs do you use to operate the restaurant?

Micros	
Operah	
Fedolio	
Excel	
Word	
Power Point	
Pastel	
Other	

If other, please specify:

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**Human Resource**

30. What system/ computer program to you use to keep proper record of the hours the staff worked, their wages, taxes, leave taken and ext.?

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31. People are the most important asset in any service related business. As a restaurateur, how do you go about in motivating your staff so that not only the restaurant benefits, but the staff as well?

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**Finance**

32. How did you raise the necessary funds to open a restaurant (or how would you recommend the necessary funds should be raised)?

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33. How many money would you recommend a person should have, if he/ she wishes to open a restaurant?

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34. As a restaurateur, what accounting skills do you have?

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35. How easy do you think will it be for your accountant/ bookkeeper to defraud you?

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36. How do you predict your future budget?

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37. How do you manage your working capital (Changes in debtors, creditors and inventory)?

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38. How much cash flow should be available on a daily operation?

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39. What do you do to ensure that the budget is sustainable on a yearly restaurant growth?

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**Marketing**

40. What Marketing plan do you have in place?

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41. Who is your target market?

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42. How do you plan to attract your target market?

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43. Who would you regard as competition to the business and what do you think is their competitive advantage?

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44. Please indicate by marking with an X whether you think it is important for a restaurateur to have the following skills?

		YES	NO
44.1	Cooking skills:		
44.2	A good understanding of the business		
44.3	Being up to date with industry changes.		
44.4	Time management skills		
44.5	Knowledge of local economic conditions		
44.6	Knowledge of international economic conditions		
44.7	Prioritising tasks		
44.8	Traditional service skills		
44.9	People skills		
44.10	Problem solving skills		
44.11	Team work		
44.12	Communication skills		
44.13	Personal orientation		

44.14	Formal qualifications		
44.15	Knowing what the average spend-per-head is.		
44.16	Technical skills		
44.17	Financial skills		
44.18	Leadership skills		

45. Any other comments that you would like to add?

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Thank you for taking the time to complete the questionnaire.

## APPENDIX G: STUDENT QUESTIONNAIRE

### 3rd Year Graduate Questionnaire

The relevance of the curriculum of selected Hotel Schools in South Africa in preparing students to successfully operate a commercial restaurant.

The aim of the research being conducted is to determine the likelihood of a third year graduate to operate a successful restaurant. To ensure that the research being conducted is accurate, it will be essential for you to answer the questions in an honest and accurate manner.

The results will treated as confidential.

Please read through the questions below carefully and answer the questions by marking with an X in the box. Please comment on why you have marked your-self competent or not yet competent.

	1	2	Comment
	Yes	No	
1. Have you ever given it some thought about why restaurants close down?			

2. Do you feel that you have the required skills and knowledge to successfully operate a restaurant?			
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3. Do you consider your-self as an individual that would rather be working on week-ends and public holidays than to spend time with your family and friends?			
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4. Do you know how to determine the likelihood of a business being successful?			
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5. Are you aware of the type of problems a restaurateur faces on a daily basis?			
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6. Do you rate your-self competent in the following computer skills?	Yes	No	Comment
6.1 Micros			
6.2 Opera			
6.3 Fidelio			
6.4 Excel			
6.5 Word			
6.6 Pastel			
6.7 GAAP			
6.8 Pilot			
6.9 General payroll systems.			

7. Do you rate your-self competent in the following front of house skills?	Yes	No	Comment
7.1 Traditional service skills			
7.2 People skills			
7.3 Dealing with customer complaints			
7.4 Problem solving skills			
7.5 Being able to work effectively within a team			
7.6 Communication skills			
7.7 Personal orientation			
7.8 Leadership skills			

7.9	Training staff			
7.10	Technical skills			

8. Do you rate your-self competent in the following back of house skills?		Yes	No	Comment
8.1	Time Management			
8.2	Negotiating skills			
8.3	Compiling a food menu			
8.4	Compiling a wine list			
8.5	Calculating menu prices			
8.6	Calculating food costs			
8.7	Predicting future income			
8.8	Implementing cost control procedures			
8.9	Interpreting a Balance sheet			
8.10	Having a good understanding on how the business operate			
8.11	Analyzing business reports			
8.12	Stock control			
8.13	Calculating the average spend per head.			
8.14	Keeping record on business operations.			
8.15	Staying up to date with industry changes.			
8.16	Analyzing business reports.			
8.17	Mantling good relationships with suppliers.			



9. Do you rate your-self competent in the following Financial skills:	Yes	No	Comment
9.1 Convincing potential investors to invest.			
9.2 Drawing up a financial plan.			
9.3 Drawing up and interpreting a Profit and Loss statement.			
9.4 Drawing up and interpreting an Income statement.			
9.5 Compiling a general budget			
9.6 Calculating future figures to compile a general budget.			
9.6 Managing working capital.			
9.7 Ensuring that the budget is sustainable on a yearly basis.			

10. Do you rate your-self competent in the following business strategy skills	Yes	No	Comment
10.1 Drawing up a Business Plan			
10.2 Conducting a Feasibility study.			
10.3 Implementing strategies to ensure that the business maximizes profits.			
10.4 Implementing strategies to minimize expenses.			
10.5 Creating, capturing and defining business values to make it more attractive for customers.			
10.6 Creating a competitive advantage.			
10.7 Identifying critical success factors			
10.8 Implementing procedures to ensure the success of the restaurant.			
10.9 Implementing strategies to ensure that the business survives during the lean months.			
10.10 Identifying all risks that might influence the business.			

10.11	Implementing strategies to mitigate act against all possible business risks.			
10.12	Compiling and implementing strategic planning.			
10.13	Aligning business operations with business strategies.			

11.	Do you rate your-self competent in the following:	Yes	No	Comment
	Marketing skills:			
11.1	Compiling a marketing plan.			
11.2	Identifying the target market			
11.3	Implementing strategies to attract the target market.			
11.4	Identifying your competitors			
11.5	Making the public aware of the business.			

12.	Do you rate your-self competent in the following	Yes	No	Comment
	Human Recourse skills:			
12.1	Compiling staff rosters.			
12.2	Implementing the Labor relations act.			
12.3	Identifying and act against legal threats that might oppose the business.			
12.4	Operating systems to record the hours staff work, their wages, taxes, leave they have taken and ext.			
12.4	Motivate staff.			
12.5	Conducting a disciplinary hearing.			

13. As a graduate, how many years of restaurant management experience do you have?

1  No experience

3  1-4 years of experience

2  0-1 years of experience

4  More than 4 years

14. What restaurant would you like to open one day?

1  I don't want to open a restaurant.

5  Bistro/ Fast Food

2  Franchise

6  Fine Dining restaurant

3  Coffee shop

7  Take away

4  Upper market restaurant

8  Other

If other, please specify: \_\_\_\_\_

15. If you have selected 2,3, 4, 5, 6, 7 or 8 in question 14, please explain why do you want to open the restaurant you have chosen in question 14:

1  It has always been one of my future dreams

3  The selected restaurant is a safe investment and will be most likely to be successful.

2  I feel there is a huge demand for the selected restaurant.

4  Other

If other, please specify: \_\_\_\_\_

16. In the event that you do want to open a restaurant, which restaurant setup would you consider to be the most likely to be successful?

1  A new restaurant that is individually owned.

2  A individual restaurant that has been in operation for at least 3 years.

3  A franchise

4  Other

If other, please specify: \_\_\_\_\_

17. Have you started to strategize on how you would obtain the necessary finance to open a restaurant?

1  I have not given it some thought yet.

3  I have sighted potential investors.

2  I have started to save some money.

4  Other

If other, please specify: \_\_\_\_\_

18. Do you know how to obtain finances to open a restaurant?

1  Yes

2  No

19. Have you started to calculate how much money will be needed to open your restaurant and in the event that you did, how much was it more or less?

1  No idea

3  At least R200 000

2  Enough to cover 3 month operating expenses.

4  Other

If other, please specify: \_\_\_\_\_

20. After answering all the questions above, do you feel competent that you will be able to operate a restaurant successfully?

1  Yes

2  No

**Thank you for taking the time to complete this questionnaire.**