

September 2005

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# How to...?

Tips and tools for South African tourism companies on local procurement, products and partnerships.

## Brief 4: Setting corporate priorities and managing internal change

Produced by  
Overseas Development Institute  
Business Linkages in Tourism



In collaboration with:  
Tourism Business Council of South Africa  
The Department of Trade and Industry  
The Department of Environmental Affairs and Tourism  
Funded by: International Finance Corporation



the dti  
Department:  
Trade and Industry  
REPUBLIC OF SOUTH AFRICA



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## PREFACE

The purpose of the 'How To...?' series is to assist tourism companies to take advantage of opportunities to contribute more to the local economy. The intended audience is tourism businesses of various sizes and operational types. Other guidelines already describe what to do, and why, for more responsible, sustainable or empowered tourism. This How To series focuses on *how* to do it. It provides practical tips drawing from the experiences of successes and failures.

In addition to an executive summary, there are four briefs in the series. These are:

1. Boosting procurement from local businesses
2. Stimulating local cultural and heritage products
3. Building local partnerships
4. Setting corporate priorities and managing internal change.

The first three focus on different types of local linkages and thus may be used by different operational staff (chefs, buyers, guest relations officers, lodge managers etc). The fourth brief gives tips on how to manage corporate change in order for any of the first three to be effective in the long-term.

Tips 📌, Warnings ⚠️, Examples 📌, Government and Institutional issues 🏛️, Useful tools 🛠️, Quotes “” are marked throughout.

There are several issues that are only touched upon in this brief, but expanded upon in one of the others.

Additional copies can be downloaded from [www.odi.org.uk/rpeg/research/pro-poor\\_tourism/howto.html](http://www.odi.org.uk/rpeg/research/pro-poor_tourism/howto.html)  
Hard copies are available, free of charge, from Business Linkages in Tourism. Contact Adrienne Harris, [bizlink@tbcsa.org.za](mailto:bizlink@tbcsa.org.za).

## ACKNOWLEDGEMENTS

A great deal of thanks is owed to many individuals and organisations that made the 'How To...?' series possible.

The project was funded by the International Finance Corporation (IFC), and initiated by Wilderness Safaris and Spier in collaboration with the Pro-Poor Tourism Pilots project. It was managed by a Steering Committee of Malcolm McCulloch (Wilderness Safaris), Tanner Methvin (Spier), Adrienne Harris (TBESA), Kate Rivett-Carnac (**the dti**), Lisa-Ann Hosking and Kele Molopyane (DEAT).

Many tourism operators gave up time to be interviewed and provided information on their experience:

Jaap Kleftenberg (AAA Tours), Grant Ruddiman (Arabella Sheraton Group SA), Paul Miedema (Calabash Tours), Jennifer Seif (Fair Trade in Tourism), Chris Bertie (Halcyon Hotel Group), Graeme Arendse and Joy Bennet (Imvubu Nature Reserve), Judi Rebstein (Jan Harmsgat Country House), Craig Doria (Ker and Downey), Bernie Samuels (Klein Begin Laundry), John Rosmarin (Lesheba Wilderness Lodge), George Wardlow (Luwawa Forest Lodge), Eddie Koch (MAFISA), Pete Christodoulou (Mbotyi River Lodge), Tim Foggin (Advisor to Mbotyi), Noel de Villiers (Open Africa), Robert Davids (RAiNN), Samuel Lekgethenyene and Elizabeth Phiri (RECOPRO), Aldrin Ndalani (Ribolla Tourism Association), Michel Girardin (Shiluvu Lakeside Lodge), Adrian Enthoven, Cherie Immelman, Heidi Newton King, Tanner Methvin, Lesley Joemat and Lindsay Small (Spier), Ralph Freese (Spier and Sun International), Ashley Wentworth (Stormsriver Adventures), Rampofeng Nditsele, Dan Ntsala and Michelle Webber-Steyn (Sun City), Peter Venison (Tsogo Sun), Pat Goss (Umngazi River Bungalows), Patrick Bodham-Whetham and Malcolm McCulloch (Wilderness Safaris). The briefs draw heavily on the experience of the pilot sites of the Pro-Poor Tourism Pilots Project (see back page).

The drafts were reviewed by Steering Committee members and a Review Group comprising Wolfgang Thomas (Centre for Responsible Tourism Research at Cape Peninsula University), Clifford Ross (City Lodges), David Rattray (Fugitives' Drift Lodge), Justin Pooley and Irene Visser (IFC), Alan Louw (Lesedi African Lodge / Tourvest), Ted Stilwell (National Accommodation Association South Africa), Michael Warner (ODI), Harold Goodwin (Responsible Tourism Partnership), Wayne Duvenage (SAVRALA) and Morne Bosch (Spier). Participants at a Pro Poor Tourism (PPT) Pilots workshop also provided comments on summary drafts.

Research, liaison, text revision, and administration was done by Oliver Reichardt and Sebastian Brinkmann of ODI. Editing was done by Jennifer Stern. Layout and printing by Global Calendars and Publications.

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Photographs courtesy of:

Caroline Ashley, Clive Poultney, SA Tourism, Fair Trade in Tourism South Africa, Wilderness Safaris, Calabash Tours, Umngazi River Bungalows, Stormsriver Adventures and George Hallett.



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## ACRONYMS AND KEY TERMS

Acronyms	Definitions
BEE	Black Economic Empowerment
CEO	Chief Executive Officer
CSI	Corporate Social Investment
DBSA	Development Bank of South Africa
FTTSA	Fair Trade in Tourism South Africa
IFC	International Finance Corporation
PDI	Previously Disadvantaged Individual
PPT	Pro Poor Tourism
SMME	Small Medium and Micro Enterprise
the dti	Department of Trade and Industry
ZAR	South African Rand
Key terms	Definitions
Local linkages	Linkages between a tourism company and the local economy include: procurement of goods and services from local businesses, recruiting local staff, using local excursions and tourism services or encouraging guests to use them, joint venture partnerships with community trusts or local employees, and a range of operational agreements with local residents and neighbours.
Local	Used here as shorthand for local, black, and disadvantaged. The focus is thus different, though overlapping with, a national BEE focus (black, anywhere, any size).

# Managing Corporate Change for Implementing Local Business Linkages

Many tourism companies make substantial charitable donations to local causes from their pre-tax profit. However, companies are realising the need to support the local economy in a more sustained manner, and to use their core competencies – not just their profits – for local impact. They are realising the need to go beyond donations and to do business differently.

Local linkages can be of many types. They can be with small and micro enterprises, neighbours, or community trusts, and can involve supply contracts, service contracts, equity partnerships, leases, mentoring arrangements, marketing agreements, or any variety of arrangements.

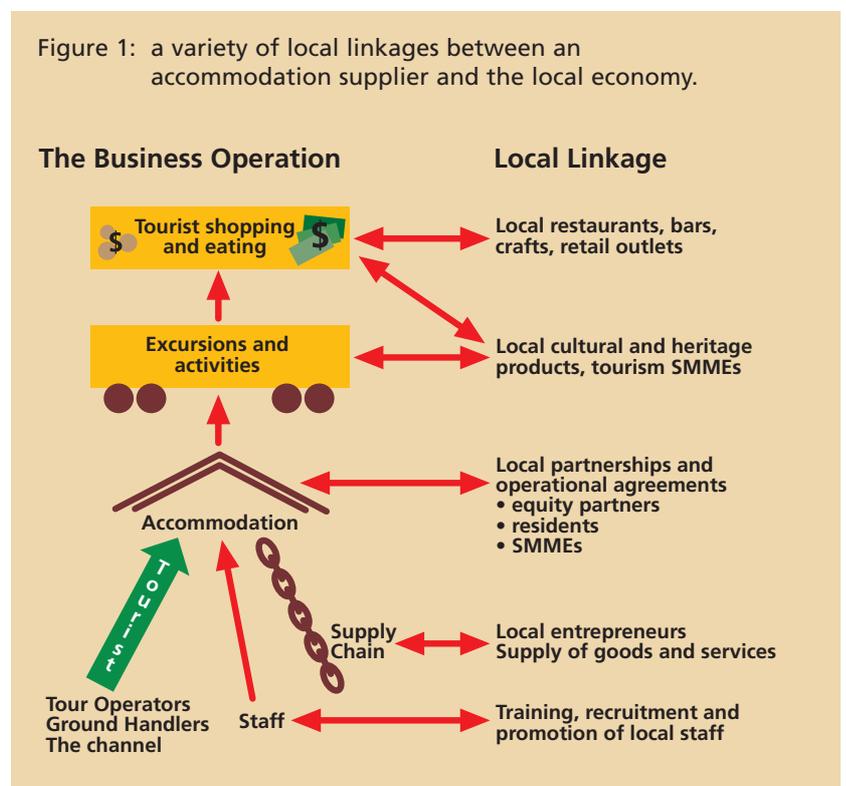
This approach creates diverse, self-multiplying and long-term benefits for the company, the local economy, and the future tourism industry. But implementing a different way of doing business is quite different from making a donation. It is not divorced from operations and cannot be handled solely by a single person responsible for corporate social investment (CSI). Thus it is essential for the approach to be embedded in the corporate agenda, and for systems to be in place to enable operational staff to adapt to change.

Without addressing change management within the company, a well intentioned policy is unlikely to succeed. This brief therefore outlines tips on how to manage the corporate agenda and internal change, in order to implement linkages.

Figure 1 outlines a range of different local linkages, which are broadly divided in terms of:

- procurement of goods, services and staffing, *Brief 1*
- cultural heritage excursions organised for guest, or activities that enable tourists to spend time and money directly in the local economy, *Brief 2*
- partnerships with neighbours and residents, *Brief 3*.

The corporate change issues covered here apply across all linkage types.





## BENEFITS

### Ten business benefits from local linkages

1. Customer satisfaction emerges as the top-ranked business benefit identified in a survey of 10 owners or managers of South African tourism operations that are strongly committed to local linkages.
2. Although not always the main objective, local supplies may also be cheaper. This was true at Spier Village Hotel where sourcing laundry services locally with a new enterprise has saved costs.
3. Greater local support and social licence to operate reduces risk and crime, opens new opportunities for local product development, and translates into constructive relations with local municipalities.
4. When local staff see the company delivering for their community, it increases staff morale, resulting in improved customer service and guest satisfaction.
5. Linkages can lead to a diversification of products, and enhancement of brand. Visits to local artists, community tours, trips with local guides, and use of local products all add to the tourist experience, and contributes to a distinctive brand.

e.g.

Customers ask about company practice and like to learn about how rural women with little schooling became chefs and administrators at Jan Harmsgat Country House, about how the community campsite was set up at Mbotyi River Lodge, and how Wilderness Safaris co-owns lodges with the local communities, and what FTTSA accreditation means at Shiluvuri Lakeside Lodge, Spier, Stormsriver Adventure and others. Customers enjoy the fruits of partnerships – quite literally watching the local vegetable sellers bring their donkey carts to the back door at Umngazi River Bungalows.

*“Our approach to staff involvements is so liked by our guests that it has given us an identity. It was never planned.” (Judi Rebstein, Jan Harmsgat Country House)*



For Stormsriver Adventures, the emphasis on local job creation is a core part of the brand, of customer satisfaction, marketing, and of close relations with the community.

Spier estimates that their FTTSA certification has led to over 52 mentions in print between October 2003 and end 2004. The value of this coverage for 2004 was over ZAR300,000.

The new scorecard recognises activities that support local enterprise (enterprise development), support community initiatives (social development) or increase affirmative procurement.

e.g.

6. Industry awards, such as Imvelo Awards, Responsible Tourism Awards, World Travel and Tourism Council Awards, and provincial awards, bring media coverage, added credibility and increased bookings.
7. Word-of-mouth marketing and media coverage are very effective marketing tools. Contact with local people provides the stories people tell – to friends or readers.
8. Preferential recognition from government and increased scores on the Tourism BEE Scorecard can result in greater success in acquiring concessions or licences, and in securing business from local or national government for conferences and corporate accommodation.
9. Institutional lenders, such as IFC, DBSA and, increasingly, some commercial lenders and individual investors, focus on responsible business practice in their deals.
10. Focusing on how to boost local linkages has knock-on effects that improve other aspects of the business – such as how procurement works, how staff participate in processes, or how new products can be brought on stream.

## CONSTRAINTS

Virtually all companies have some policy statement, however vague, relating to local benefit from their enterprise. However, many are weak on translating this into practical implementation, or new initiatives have stalled when they hit operational constraints.

### Competing priorities

Many companies have not set strong corporate priorities to invest in building linkages with the local economy. Internal management change processes may already be overwhelmed dealing with other priorities, e.g. health and safety or employment equity.

### Insufficient staff resources and mandate

If the development of local linkages is the responsibility of just one person – a director or CSI officer – he or she may not have the resources or mandate to ensure effective implementation. For example, the driver, or champion, may have a mandate to deal with the local community, but not have sufficient authority to engage with other employees on how they do their jobs.

### Focus on donations to the exclusion of business reform

Where donations meet local priority needs, such as for healthcare, they can be invaluable. But this approach can discourage businesses from examining how their core competencies – procurement budget, marketing networks and ‘business DNA’ – could be adapted to advance local development.

### Lack of attention to roll-out, weak skills

An initiative might get going but then stall because it is not integrated into normal operations. Often it is easier to just get something going and see what results, but then sustainability measures may be neglected. Managers may not understand that doing business differently can’t be compartmentalised and divorced from other operations. Company staff may not have the necessary skills to develop local linkages. It is a long term process which must be mainstreamed before impetus is lost.

### Lack of motivation

For some the business imperative has been lacking, along with successful precedents. But now there are several successful models, a growing market demand for destination enrichment, and stronger incentives for action, specifically the Tourism Scorecard.

Building corporate commitment can be a very slow process. Ker and Downey is Tanzania’s largest safari operator, with a reputation for substantial investment in community work, which is done via their own charity, Friedkin Conservation Fund. The Friedkin Conservation Fund, working with PPT, has been seeking to develop a more strategic approach to community investment, shifting from cash handouts to resource management and enterprise linkages. The Friedkin Conservation Fund coordinator notes that changing attitudes in what is traditionally a conservative industry takes time.

*“A big success factor is that the PPT rep has been able to get our companies as leaders within the hunting industry to discuss community work – this in itself is a major step forward. It is a slow process which would take a long time to develop.” (Craig Doria, Friedkin Conservation Fund)*

eg.



## DIFFERENT APPROACHES

Doing business differently means adjusting operational practices so that normal business performance is achieved, but at the same time more local impact is delivered. This differs from the philanthropic approach in that the core competencies of the business are used. The immediate injection of cash to local communities is smaller, but sustainability and the potential for increased benefits over time are higher. Which approach you adopt to developing local linkages depends on your business model and goals.

### Modification of business model

Wilderness Safaris built on and developed their existing business model for getting lodges established, thus increasingly integrating community partnerships into branding and operations.

Wilderness Safaris has always had an approach that embraced community partnership – partly because of the personal interests of the individuals who run the company, and partly because of the nature of their operation, which is operating luxury lodges in wilderness areas. In Botswana, which is their main area of operation, tourism leases in rural areas generally depend on an element of partnership. This approach was then carried over and adapted to Wilderness Safaris' lodges in Namibia and South Africa, again with the added incentive that government authorities required such a partnership approach when awarding concessions – in Maputaland in 1993 and, more recently, in St Lucia. Several joint venture partnerships with communities have been, or are being, developed. The approach to community partnership has thus always been part of different lodges in the stable, driven by different members of the management team.

In recent years, the corporate priority on partnerships has become more formalised, and more prominent in marketing and branding. With the award-winning success of flagship partnership lodges, such as Damaraland Camp in Namibia, partnerships have become part of the unique selling point. In 2003 Wilderness Safaris produced a marketing brochure explicitly on community linkages, profiling their approach, and coupled to the community tour at Rocktail Bay. In 2005 a new brand, which encompasses Wilderness Safaris' contribution to local communities, was launched. Various measures have been adopted to integrate a community-facing approach into lodge operations, including an emphasis on corporate values, personal interest from head office managers and expectation of camp managers. The roll out of this brand internally includes staff training, which will cover community issues.

### Strategic overhaul

Once the decision has been made to involve local communities and entrepreneurs in elements of the core business of the company, a complete overhaul of management priorities may be the most efficient way to go. Of course, this takes major commitment. This was the approach adopted by Spier.

Figure 2 shows some of the steps in strategising local procurement.

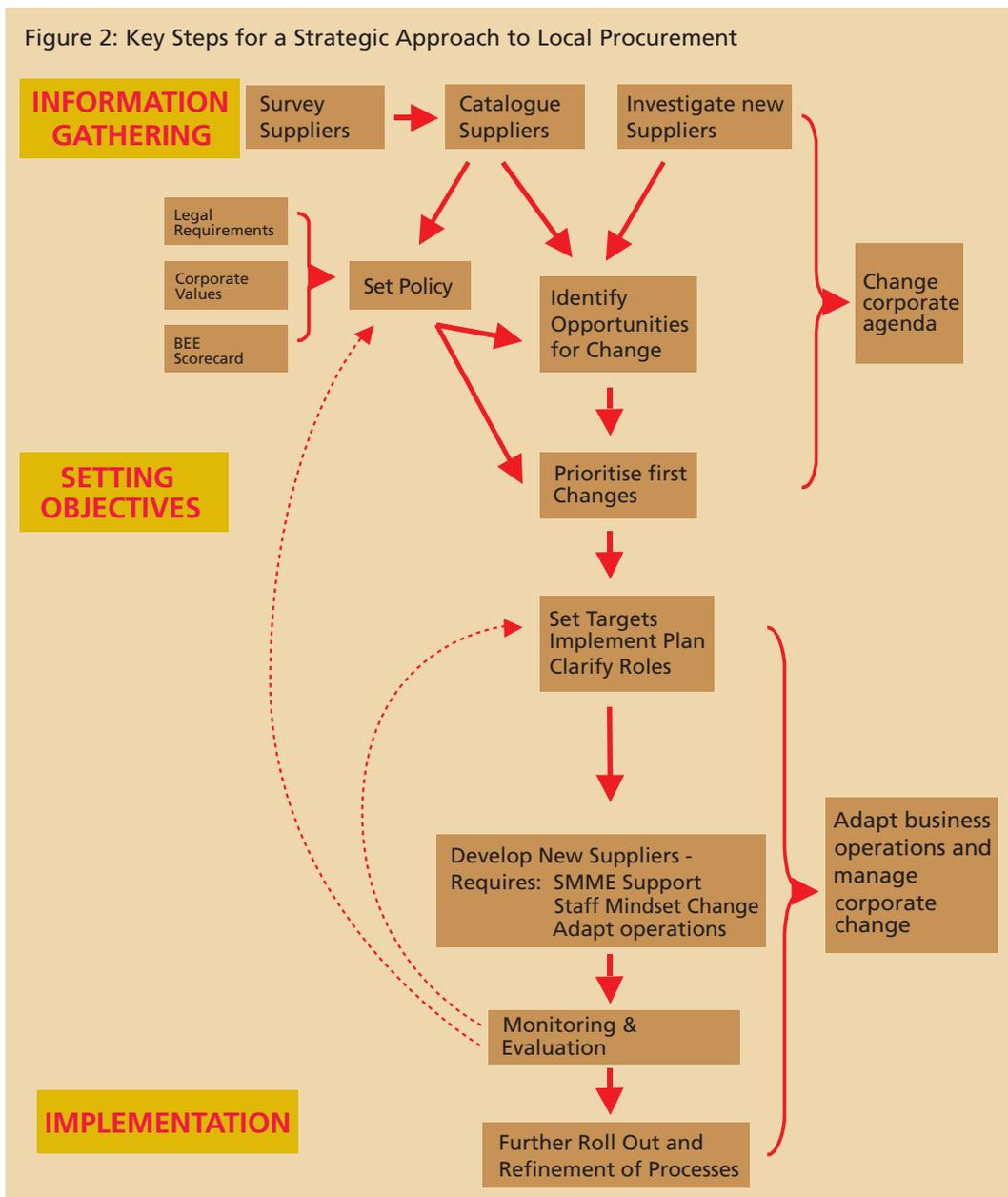
eg.

Spier, a multi-purpose tourism enterprise, owned by the Enthoven family, has long embraced strong sustainability principles, though not necessarily with a focus on local business linkages. In 2002-3, Spier was considering big changes. Wide discussions included the idea of being a gateway to local tourism attractions, particularly in culture and heritage. Myriad other local and environmental initiatives were in operation or being discussed. At the end of 2003, Spier's owners decided that, to implement their sustainability commitment into strategic action, they needed a sustainability director at the top, inside Spier Holdings. Once the sustainability director was in place, he set about a painstaking review of Spier's operational practices and their impacts on the environment and social development. This strategic approach led to Spier's procurement being identified as one of a set of issues that would be overhauled. The first linkages are already established and growing. The potential development impact is enormous as a growing percentage of Spier's ZAR75 million procurement budget will be shifted locally.

This strategic approach has been quite different to the previous ad hoc approach to multiple local partnerships. The process has involved extensive information gathering within the company, and with suppliers, and active engagement with operational staff. Key elements of the strategic approach are a strong board leadership, corporate values, an internal champion, an external facilitator, staff participation, and changes in staff performance indicators.

eg.

Figure 2: Key Steps for a Strategic Approach to Local Procurement



### Corporate social Investment support

The Sun City approach to building local enterprise linkages has been to focus on a couple of demonstration projects, and build these up over time via CSI. These lay the basis for developing an enterprise linkage approach more widely across the organisation, once initial success is visible.



Sun City is the largest resort in South Africa and part of an established international company, Sun International. As such, its business approach makes extensive use of the economies of scale and hierarchies of management to maintain a competitive advantage. Sun City has a long-standing CSI programme, making substantial donations to local schools and health facilities, i.e. the approach has been community philanthropy rather than business linkages. In 2002, an enterprise approach was included in the CSI agenda. At the same time, a new operations manager was putting more priority on CSI. Sun City chose to partner with PPT Pilots to focus on developing two new small businesses which could supply the resort. With support from CSI, local production of recycled glassware and hand-made cards has been developed. Sun City has started commissioning a scoping study of other local supplier options, and has established a development forum with local government



# Putting Linkages on the Corporate Agenda

## TIP 1: MATCH LOCAL LINKAGES TO CORPORATE DRIVERS OF CHANGE

A company will not invest in local linkages and partnerships just for the sake of it. There needs to be a strong corporate reason – more likely long-term objectives than short-term profit. Thus the first step is to identify how development of linkages, and which linkages, match this corporate agenda, **Brief 1, Tip 1, table 2**.

You need to decide what the current drivers of change are. Some possibilities include:

- corporate values
- the need to reposition and re-brand
- improving BEE performance and scores
- attaining government licences or procurement
- minimising local risk and gaining local social licence
- dealing with changes or challenges in existing supply chains
- developing new sites or products
- enriching the destination to improve the guest experience and extend length of stay.

*“The Tourism BEE Charter and Scorecard expresses the commitment of all stakeholders in the tourism sector to the empowerment and transformation of the sector, and its commitment to working collaboratively to ensure that the opportunities and benefits of the tourism sector are extended to black South Africans as well.” (Tourism BEE Charter and Scorecard, May 2005)*



Development of local linkages can contribute to any of these, but which one is the priority will influence how linkages are pursued. Of course, some types of linkages are more appropriate than others, depending on the environment, and the needs and potential of the local community.

If you are planning to increase local inputs in the supply chain, see **Brief 1**.

If you are planning to support development of local cultural and heritage products, see **Brief 2**.

If you are planning to develop local community partnerships, see **Brief 3**.

Identify what types of linkages relate to current corporate drivers of change.



*New locally produced greeting cards for guests in Sun City hotels.*

## TIP 2: BUILD BUY-IN AT THE TOP

Without top level commitment, any local initiative will soon get blown off course by competing priorities. Management must have a clear understanding of the strategy, and both staff and managers need to understand that this is part of their day to day operations, and not an add-on when time permits.

### Getting managers on board

Liaising with community partners, providing advice to small businesses, or ensuring operations staff is managing new suppliers will require management time. This capacity needs to be created. It may also impose costs, such as changes to delivery schedules, more paperwork, or inconsistent supply.

Often the costs of making local links are up-front time and effort, whereas the benefits of product development or customer satisfaction are long term. Managers need to know that these initiatives can improve the way in which they operate, and will provide additional opportunities over time.

The board needs to:

- identify what the motivation is for developing linkages, and be clear on the benefits
- assess and prioritise options
- understand how this affects operations, and what organisational changes are needed initially
- mandate and resource a champion
- give support to management to allow them to implement the changes.

Sun City chose to concentrate, initially, on discrete low risk projects like baby sitting and hand-made cards. The success of these humble projects will contribute to a positive approach by management to the idea of local procurement and partnerships whilst creating immediate community benefits.



### Use small practical steps to demonstrate efficacy

Look for quick wins that can demonstrate the usefulness and ease with which change can be effected. This will often stop any cynicism and malcontent. It also serves to further motivate the more challenging and difficult approaches that are needed.

**Pluck the low-hanging fruit. Start with easier linkages to demonstrate success and build trust.**

### Bases for buy-in

Board buy-in depends primarily on the relevance to corporate objectives and drivers of change being clear.

### Commitment based on founding values

Stormsriver Adventures, an FTT-accredited adventure operator, is driven by a 10 point commitment that was drawn up when the company was taken over by the new owner in July 1998 (<http://www.stormsriver.com/> go to 'about us,' 'the BIG picture'). Based on this, nothing is done unless it creates jobs as well as business. Ashley Wentworth, the owner, believed from the start that a tourism business in a rural area of the Eastern Cape had to be founded on such principles.



### Commitment based on values and strategic needs

At Wilderness Safaris, top level commitment comes from the individuals involved, the values on which the company was founded, and from their specific operating environment. For them, the driving motivation is the business' need to secure sites and local support while expanding their network of lodges. The values-based approach was part of how the business was established originally, and has translated into how the organization conducts business on a day to day basis.

### Incremental demonstration, issue profiling, and external incentives

At Sun City, there has been growing commitment to sourcing more products locally. In 2002-3, there were wide ranging discussions over linkage options, but little sense of clear direction. By 2004, the company was investing financial resources in card and glass suppliers, and more staff time in local enterprise support. By 2005, it was commissioning specialists to identify new suppliers in North West Province, and setting up a local development forum with the municipality and local chiefs.



### TIP 3: ANALYSE EXISTING PRACTICES BEFORE INITIATING ANY CHANGE

#### Gathering information

Understanding existing practices may give change agents an understanding of the organisational challenges, and thus makes their task easier. The employees involved in gathering the information get a better picture of current practices and are also able to contribute to the process. When they see their suggestions and information being used, they are already on board.

#### Catalysing change

The process of gathering information can become a catalyst for involving others, getting them to think differently or even adopt their own changes. When Spier undertook a survey of all its suppliers, they didn't just get information back. Staff and suppliers started to focus on the issues, and some suppliers came back with details of how they were improving their BEE performance.

In changing procurement practices at Spier, it was decided to conduct a complete analysis of the Spier Leisure supply chain. In this process, a variety of preconceptions on the part of both the buying department and senior management were significantly challenged. It was some surprise that over 75% of Spier's suppliers turned out to employ less than 50 people and were, therefore, SMMEs. In the process of working through the debates that took place, the approach changed from one of expecting suppliers to buy from local PDIs, to seeking out these PDIs directly.

The process of analysing the supply chain, and the successful integration of new PDI suppliers broadened staff participation in the process of change. The buying department not only played an active role in the process, but also assisted some of the suppliers in addressing their own internal issues, such as health and safety and hygiene aspects.



- Gather information on existing and potential local linkages.
- Involve staff in the information gathering and explain its purpose.
- Use tools that allow for objective presentation of information and easy interpretation.
- Don't expect the results to be exactly as anticipated. Allow the process to be fluid enough to change as needed.
- Capitalise on staff involvement and interest, and use it as a further driver of change.

*"Just asking questions leads to a process of change. It gets people to think. [Since the supplier questionnaire was sent out] I've had people collar me to tell me how discussions and processes are underway."*  
(Adrian Enthoven, Spier Holdings)

Tools and information do not replace the management role, and should not become a means for any party to abdicate responsibility for action.

### TIP 4: IDENTIFY INTERNAL PROCEDURES THAT BLOCK NEWCOMERS

Internal procedures may prevent emerging entrepreneurs entering the supply chain, or new cultural amenities entering the product offering. For example, the procurement manual may require purchases to be decided on current price, irrespective of issues such as local supply or potential for a long-term commercially beneficial contract. Payment procedures may prevent payment on anything less than a 60 or 30 day basis. Requirements for paperwork may be considerable.

Payment in 30 or 60 days can cripple emerging businesses. Change the payment period if at all possible.

Such procedures can be changed if there is commitment. Umngazi River Bungalows pays for vegetables directly at the point of purchase. Stormsriver Adventures has developed a procurement policy based on a 10-point commitment, in which local sourcing is prioritised. Currently 55% of all items are procured locally. This is a value based decision, and when price and values are matched, there is no reason to look elsewhere.

**Review procurement guidelines and criteria so that there is a preference for local suppliers, on condition they can compete on quality and price. Take long term commercial goals into account.**

The obstacles depend on the type and size of the new supplier. New businesses, informal sector entrepreneurs and farmers may have particular problems with preparing invoices, transporting goods, and meeting tight deadlines. For cultural service providers and food suppliers, paperwork and regulations concerning health and safety may be the main issue on which they need assistance. For more small rather than micro contractors, such as in construction, the challenge may lie in the size of contracts tendered and the need for payments up-front to cover the cost of working capital.



## TIP 5. COMBINE INNOVATION AND RISK-TAKING WITH PROTECTION OF CORE BUSINESS

Doing business differently requires innovation. Making links with local suppliers may mean walking new streets, and using new networks. Negotiating a partnership with a community trust may involve a new style and pace of negotiation that is different to your existing business culture. Identifying cultural products that both build on local talents, and match the needs of your company, may require lateral thinking. Don't hold back.

*"It was good that we started ignorant. If we'd known the issues when we started, I'm not sure we'd have done it." (Paul Miedema, Calabash Tours: FTSA-accredited site and winner of two Responsible Tourism Awards at World Travel Market 2004)*



It is noticeable that many of the innovators in FTSA-accredited companies are from outside the tourism industry – the pharmaceutical industry, event management, property development or politics. It may be that they are less constrained by assumptions that hold within the tourism industry about what can and can't be done.

**Be ready to innovate and think outside the box.**



Risk-taking must be balanced by protection of core business, as there is no point trying to implement linkages that undermine long term viability. If they do, tensions between philanthropic and commercial objectives will grow, until something gives. A tourism company is no benefit to local partners if it does not thrive, **Brief 3, Tip 12.**

When developing linkages it may be wise, at first, to keep new products separate from the core product, and integrate them once reliability is evident. If it is a new product, offer it to guests as an add-on at first, not as part of the core itinerary. If it is a new supplier, make sure you can cope with disrupted supply, or retain a parallel

supplier, until quality is evident. Spier started with one contract for Klein Begin Laundry to service one restaurant, and has added new contracts over time.

**Keep core business and new linkages separate at first, until quality is evident.**



The costs of implementing local linkages need to be assessed. These may be financial, but are just as likely to be management time, provision of logistical support, or facilities. A relatively small input can often generate enormous returns to local partners, e.g. tips on what tourists need, or a chance to visit your operation.

In other cases, such as negotiating a joint venture, considerable time of a senior person is needed. And in all cases, the time spent with local partners is just a part of it – the time spent on corporate change is the other. Ensuring this does not undermine core business means realistically assessing costs in relation to benefits, setting boundaries, and planning timing around seasonality of occupancy and/or cash flow.



Guests and local staff at Rocktail Bay lodge.

**Assess costs of implementing linkages, and set boundaries.**

**Invest most heavily on building linkages and rolling out internal change in the slow season.**



## TIP 6: TURN EXISTING CHALLENGES INTO OPPORTUNITIES AND ENERGY FOR CHANGE

All businesses face strategic and operational challenges, which can effectively be used as a driver for change. Sometimes, a different way of doing business can offer a solution.

For example, the gambling industry has come under a lot of pressure since 1993, and one way companies such as Sun International have responded is a major emphasis on CSI. Similarly, the introduction of the Tourism BEE Scorecard has forced many companies to look at where they can improve performance. This is a time to consider how local linkages can become part of the solution.

A very practical challenge can create impetus for change – as with the laundry at Spier, or as at Mbotyi River Lodge, where the need to secure a water supply led to development of a joint venture campsite.

When Mbotyi River Lodge needed a new site for a water tank, Pete Christodoulou, one of the owners, found that the obvious site was also an ideal location for a campsite. Thus the idea of a partnership in a community enterprise was conceived from an infrastructural problem, and the water supply and campsite were developed together.

At Spier, the opening of a new restaurant – Moyo – presented a challenge. Serving over 500 guests per day, the restaurant had a laundry bill in excess of ZAR50,000 a month in high season. This expense provided the impetus for change. Partly in order to reduce costs, Spier decided to set up an on-site laundry service that could be tendered by an emerging entrepreneur. It thus met two of the newly set corporate objectives, namely enterprise support and use of small and emerging suppliers. The laundry, Klein Begin, became the first demonstration of new local supply in action.

But in the first month of operation, one of the two machines broke. This could have meant not just the end of the Moyo contract, but may have confirmed preconceived assumptions of contractors, about how 'they' will cope (or not) when things go wrong. Instead, the problem was turned into a great success. The operator used his networks to get the washing done, and delivered on time until the machine could be repaired. This demonstrated to all concerned that new suppliers can, indeed, have the entrepreneurial ability to be reliable. Since then the new enterprise has created ten new jobs.

**Think laterally. Tackle an existing challenge by doing business differently through local linkages.**

**When new linkages run into problems, seize the opportunity to improve operations and turn problems into a demonstration of success.**



*The problem of high laundry costs at Moyo (Spier) was turned into an opportunity for black contractors.*

# Managing Internal Change to Implement Linkages

## TIP 7: APPOINT A CHAMPION AND FACILITATOR TO DRIVE THE PROCESS

Making the change to local linkages involves a lot of work so you need someone to drive it or, after a while, everyone will just go back to doing things the older, traditional, way.

### A champion – to drive it

The organisation needs to have one key, committed and informed individual who can drive linkages forward and manage the processes of change in the organisation. The champion needs to be senior enough to relate across operational divisions, and have communication to the top, and must understand the core business and economics of the organisation to see how the local linkages relate.

In many smaller, owner-operated businesses, the owner is the champion. For example, at Stormsrivier Adventures, Jan Harmsgat Country House, and Shiluvuri Lakeside Lodge, (all FTSA-accredited sites), it is clearly the owners who have not only provided the top level commitment to linkage, but have actually gone out and made it happen.

In larger businesses, the board needs to identify a champion. Spier did this by appointing, at board level, a dedicated individual who is responsible for the implementation and management of broad sustainability principles throughout the organisation. Wilderness Safaris have strategic champions of partnership at the top, in the CEO and senior executives, and a number of operational champions in the next tier. Managers with responsibility for different geographical regions are driving partnerships forward. Sun City's champion of local SMME support is the corporate affairs director. This means he is able to draw on the CSI budget to help get enterprises going. As a senior manager and member of ExCo, he is able to build buy-in at executive management level and make the links across to operations.

At Sun City, the time pressure on the champion was a constraint. His portfolio included human resources, CSI, and public relations. Progress in helping the card and glass-makers to get going speeded up in August 2004 when a PPT intern joined him for 6 weeks, as she was able to spend time on some of the detail of liaising with the glass-recycling and paper-recycling business partners. This helped Sun City management to see how much more could be done with extra resources, and in January 2005 a full-time assistant on CSI was appointed.



The Arabella Group, which owns the Arabella Sheraton Grand Hotel and Western Cape Hotel and Spa, has appointed a group quality assurance manager (QAM), with responsibility for transformational issues including integration of more PDI suppliers.

### A facilitator – for the leg-work

Talking to potential suppliers, organising contracts with emerging SMMEs, providing advice to local organisations and negotiating partnerships with community trusts is time-consuming. The champion may be the person to initiate change but, if s/he is sufficiently senior to engage with the board, then s/he may have limited time for the details of implementation. This can be a major constraint.

Wilderness Safaris brought in PPT facilitator, Clive Poultney, to do much of the intensive discussion with community trusts in Maputaland. At Spier, the sustainability director drives forward the broad sustainability brief, of which procurement reform is one part, while drawing on PPT facilitator Gareth Haysom to do much of the on-the-ground facilitation of local suppliers.

Do not expect operational staff to do the day-to-day work of setting up linkages with SMMEs or partners. Bring them in, but don't rely on them until the linkage is up and running.



**Make sure the champion either has enough time to make linkages happen, or has an assistant who does.**



## TIP 8: ENSURE NEW LINKAGES ARE INCORPORATED INTO DAILY OPERATIONS

Getting a linkage going is best done by someone with time to commit, but once it is established, it needs to be incorporated into daily operations. It needs to become part of the product, the menu, the delivery run, the book-keeping, the guest itinerary, the brochure – it needs to be mainstreamed and be taken on by operations staff.



### The systems approach

This transition into daily operations needs to be a key focus of effort for the champion and facilitator, but is often neglected. It involves:

- identifying the daily operations and staff that are affected by the new linkage
- communicating with the relevant staff so they are equipped to take up the new operations
- ensuring the linkage becomes part of normal line management performance, and is no longer supervised by the champion
- building communication links between the key contact people inside the organisation and the local supplier or community.



**Include operational staff from the start, to ensure the champion understands their needs, and then hand over operation once the linkages are established.**

The CSI Director at Sun City is helping RECOPRO, a local micro-enterprise, to produce hand-made welcome cards to be placed in rooms. Currently he is the champion but the supply chain will need to work without him in the long term. Hotel managers will place their orders with RECOPRO, according to demand. RECOPRO will then invoice accounts, accounts will pay RECOPRO, and delivery will be organised through the usual channels. Most importantly, when a glitch arises, both RECOPRO and Sun City staff need clear channels of communication.

At the Spier laundry, the introduction of lockable baskets outside Moyo enabled the laundry to collect the dirty napkins at 8am, rather than when guests go home, which can be around midnight, or having to wait for the restaurant staff to report on duty at 9am. Mechanisms for communication on workload had to be established, so that the laundry could plan for tight turn-around times between lunch and dinner on busy days, but equally would avoid paying overtime on busy days if the next day promised to be quiet. They also had to liaise with Spier property management about anticipated power cuts, water shutdowns and routine maintenance.

Don't only focus on getting the linkage established while neglecting how it will be integrated into daily operations.



### The people approach

Where the new linkage involves local procurement, all employees that are points of contact with the new supplier will need to know about the new contract and will have to adapt their operational practice accordingly. The new supplier will need to deliver with a consistency and quality that meets the operational needs of the department concerned, and departmental staff need to be involved in defining service level agreements and liaising with the supplier.

Consider which staff members will:

- place the order, decide on quantities
- receive and store the goods or receive the service
- check quality and liaise over any problems
- inform guests about the goods or services
- receive the invoice, pay the invoice
- communicate feedback to the supplier
- manage the staff that are the contact points.



*Local dancing on the regular community tour at Rocktail Bay Lodge*



**Shaking up existing patterns and complacency is no bad thing!**

## TIP 9: MOTIVATE STAFF AND DEAL WITH RESISTANCE

Although it is part of doing business, change is often not well received for many reasons, which vary from site to site, and business to business.

### Acknowledge and recognise resistance

Attitudes of some employees may pose an obstacle to the integration of local entrepreneurs and partners. Reasons for inertia need to be understood. Change brings disruption. Buyers, chefs and other operational staff will have long-established relations with current suppliers, will know who can help them out in an emergency, and to whom they are indebted for helping them out in the past. Front desk staff, concierge staff and tour guides will equally have well-established relations and commissions systems with the excursions, shops and local venues that they use.

Change often adds to the workload. It can involve more smaller contracts, or longer lead times, and thus requires better management. Some employees may have preconceived perceptions about the poor quality or availability of local supplies or tourism products – perhaps due to past experiences where the process was not well managed.

**Expect resistance, and work out a strategy to handle it.**

### Measures to bring staff on board

Broadly speaking, the smaller companies can rely on face-to-face communication within a small team, the larger companies rely on management directives, and the medium-sized companies rely more on roll out of corporate values to ensure staff are aligned with policy on linkages.

**You need both carrots and sticks to keep staff on board.**

**Review staff induction and other training to see where to incorporate discussion of local linkages.**

The appropriate tools depend on the size and nature of the company, and also on how much corporate change is involved in developing linkages. Spier lies at one end of the spectrum, because the sustainability initiative seeks to change so many areas of operation – of which local procurement linkages are just one part – and align practice with corporate values. Not many other companies would be able to hold a staff conference considering the fact that they are operational 24/7 365. However, all operations need to find appropriate means of communicating so that employees understand both the changes, and the commitment of management.

*"Sustainability training – a cheap and powerful way of changing thinking."  
(Adrian Enthoven, Spier Holdings)*

At Rocktail Bay there was resistance to buying local fish. The senior manager was concerned about the risk of local community fishermen overfishing the coast, and had a long-standing relationship with a fish supplier who was not PDI. Such relationships can stem from many years of reliance on suppliers.

*"Any change has costs. Management intervention into what is normal day-to-day operations will create turbulence."  
(Adrian Enthoven, Spier Holdings)*

Silence does not mean buy-in. Beware of employees that seem to agree with the change but do not offer any comment. These people can become 'white ants' that derail a process by eating away at the inner working of the operation – via politicking, go-slows, and reduced service standards – whilst the exterior appears intact.

### Staff conference and sustainability training at Spier

At the end of 2003 Spier took the strategic decision to change key objectives and management style. To facilitate the communication of this to the entire organisation, a staff conference was held, attended by 95% of all employees over a two day period. The content included presentations by senior executives and smaller breakaway groups facilitated by line management, thus allowing all parties to be involved in the process. A variety of tools, such as appreciative enquiry and story-telling, motivational speakers, staff variety performances, interactive activities, award ceremonies and involvement of South African celebrities, was used to encourage understanding and commitment to the proposed changes.

Another staff conference in 2004 focused on taking stock of the actions, and engaging with some of the unanticipated issues that had arisen over the previous year. As a result, all employees, including most casual staff, were aware of the plans going forward, and all staff were left in no doubt as to how serious senior management was about the process of change.



## The face to face approach

Most smaller properties do not need formal procedures for explaining linkages to staff. They recruit people who fit in, and discuss issues face to face. For example, Calabash Tours has links with several enterprises and projects, and the guides are from the area, **Brief 2, Tip 8**. The owner-manager and four guides sit down regularly for meetings. The guides have been given shares in the company, thus increasing their participation in the overall corporate approach. At Jan Harmsgat, the owning couple and all 10 staff have a meeting every two weeks, which is all that's needed. At Stormsriver Adventures, the emphasis on local employment is linked to the emphasis on training, safety and customer satisfaction, all of which are integrated into the corporate values. All employees know these, and all guides have additional training every year, which in turn serves to reinforce the core values.

Staff conferences, newsletters, awards, staff induction or sustainability training on values and partnerships, team building events, on-site visits by staff to proposed local linkage, introduction sessions to meet the people behind the linkage, staff feed back, visible participation by management in new activities, discussion of company culture and consultation on corporate principles.



## Management directive approach

At the other extreme lies Sun City with a staff of 1,500. Issues are decided at ExCo, which comprises 18 managers and division heads. If ExCo decides, for example, that locally made cards will be put in rooms, or locally made glasses will be included in conference packages, the decision is rolled out through each division.

Sun City's head of human resources acknowledges that, with any change, there are always resisters, but if it's their job it's their job. Staff would not be expected to engage with local partners in ways that compromised effectiveness. Thus management would first assess whether a new local supply meets budget and quality requirements, and only then expect staff to utilise it. The aim is to set up systems and standards that can be delivered efficiently.

Staff meetings, notices, internal awards, and monthly meetings with concessionaires are all excellent channels for communication downwards to staff. In Sun City's CSI department, more participatory techniques have been used to get staff involved. For example, when building an HIV clinic in 2004, each department was given a two hour slot to make bricks. The winning team won a stay in the Lost Palace. Twenty teams, comprising about 200 staff members participated, and the event was known about throughout the organisation.

*"Give staff time to get directly involved in local initiatives. It is good for staff morale and team building, and also helps develop their commitments and understanding of local agenda." (Michelle Webber-Steyn, Sun City)*



## Organic roll-out of corporate values

At Wilderness Safaris, management in the past has been a collection of rules, but now the company is moving towards a collection of values, which will help staff to implement the approach around partnerships. The new brand, launched in 2005, focuses on Wilderness Safaris' values and its impact on people's lives. This has been rolled out both externally, to guests and agents, and internally through staff communication and training.

*"What we do is make it part of our brand value and expect all of our people to deliver on it." (Malcolm McCulloch; CEO Wilderness Safaris)*

## Manage expectations

Potential beneficiaries of local linkages will be impatient for impact and, once resources are generated, they will quickly become contested. Within the company, and externally, it takes time for benefits to become apparent.



**Communicate openly internally and externally, but in doing so emphasise realism.**



Don't over-inflate people's expectations in the process of garnering support. Don't say one thing to one group and different things to another.

## TIP 10: BRING IN AN OUTSIDER TO HELP MOVE THINGS ON

An outside facilitator or reviewer can bring several benefits:

- a new perspective and fresh ideas
- additional credibility to the process of building linkages – look how outside organisations take this seriously too
- an impartial presence – an outsider does not, in general have the same baggage or internal agenda as existing members of staff, and is not weighed down with operational responsibilities
- contact with others doing similar things
- specific expertise or input, whether this is technical advice or accreditation.

Several tourism companies have chosen to be evaluated by FTTSA, an accreditation system in which independent monitors evaluate a company against areas of social, environmental and economic performance. It was originally anticipated – by FTTSA and by the applicants – that the main benefit would lie in the extra marketing and brand value achieved by being accredited. While this exposure has indeed been significant, what is also remarked on by several FTT sites is the internal benefit of having an outside perspective. The process injected new ideas and helped applicants to assess their own performance, and address areas of weakness.

*"Going through the [FTTSA] accreditation process was very useful. It made us focus on new issues and debate them." (Paul Miedema Calabash Tours)*

**Bring in outsiders to add ideas, or take on a facilitator role.**

**Assess whether your company is ready to seek FTTSA certification and use that process to strengthen the corporate approach to linkages.**

Wilderness Safaris, Spier and Sun City have all partnered with PPT Pilots, and have had input from PPT facilitators. The role at the various sites has been different, but at each, the facilitator has been able to move things on, working from top management level down to technical details.

*"People in hospitality started thinking about pro poor tourism and linkages. To move the linkages into their agenda was a big benefit [of PPT facilitation]." (Dan Ntsala, Corporate Affairs Director, Sun City)*



*Stormsriver Adventures staff with their Fair Trade in Tourism accreditation.*

## TIP 11 INTEGRATE THE LINKAGES APPROACH INTO YOUR VALUES AND BRAND

By integrating local linkages into the brand, they will become a core part of the product, and of guest, staff, and management expectations. This helps in 'routinisation' of the linkages approach, and in enabling one local linkage to lead to another. It also helps the company capture the benefits of their linkages through enhanced marketing.

For Wilderness Safaris, incorporating local partnerships into the brand means they become a core part of the product, and therefore cannot be neglected by management or staff.

Many companies investing in local partnerships and SMMEs have found that the linkages – somewhat unexpectedly – have been so successful that they have become part of the brand.

There are many ways to inform potential customers and visiting guests of the company's investment in local linkages, without overselling the message. Information can be placed on the website, in brochures, in rooms, on notice boards, and on local products used within the establishment. Marketing can be done through channels that feature only, or predominantly, responsible businesses (see for example, [www.responsibletravel.com](http://www.responsibletravel.com)).



Once local linkages are working, gain extra mileage by incorporating them into your brand.

Consider how to adapt marketing material and guest information to incorporate information on your local linkages, while avoiding over-sell.

*"It depends on whether a guest is buying an expectation of community development when they buy the brand."*  
(Malcolm McCulloch, CEO of Wilderness Safaris)



At Jan Harmsgat Country House, the owner has invested heavily in training local rural women for a variety of positions, including administration, and is in a partnership with local women running a café at the Old Gaol. This has resulted in so much interest from guests that it has been the peg for many media articles and dinner table conversations. As such, and with the addition of FTSA accreditation in January 2005, it has become part of the brand.



*"Now we are known as people for whom staff are important. Now it differentiates us from others."*  
(Judi Rebstein, Jan Harmsgat)



Use of local guides is part of normal business operation at Umngazi River Bungalows

## SUMMARY, CONCLUSION AND CHECKLIST

Many companies have nice ideas about how to contribute more to the local economy but effective implementation requires prioritising them on the corporate agenda. Which type of linkage to pursue should be carefully considered in relation to current business drivers. Once priorities are chosen, a process of managing internal change is needed so that the linkage becomes part of operational practice.

### Principles

- explore different options, such as sourcing from local black suppliers, stimulating local cultural tourism enterprises and establishing partnerships with community trusts or residents
- there is no perfect model, no one-size-fits-all
- combine innovation with hard-headed protection of the core business
- ensure top management buy-in, based on the business case
- plan and resource a process of internal change, while allowing for flexibility, opportunism, and staff participation. Expect a dynamic process
- go beyond donations, to how business practice can be changed and leveraged for creating local opportunities.

### How Government can make a difference

This brief focuses on what companies can do but supportive actions by government include:

- strengthening incentives, and thus the business imperative, for tourism companies to do business differently
- ensuring that the implementation of the Tourism Scorecard embraces a variety of local economic linkages, encourages linkages with black enterprises that are also local and small, and does not work against the micro entrepreneurs who may struggle to get scored at all
- ensuring emerging suppliers have ready access to finance and business support to enable them to engage with tourism companies
- ensuring communities have access to training and institutional capacity development to engage with companies
- taking into account the providers' local linkages when making procurement decisions
- catalysing destination-level initiatives that support linkages between tourism operations and communities
- supporting sharing and replication of good practice business models.

### Checklist

In order to ensure smooth transition to incorporating local linkages in your company's procurement chain, ask:

- ✓ What are current drivers of change for the business?
- ✓ Which types of linkages are most appropriate to the business?
- ✓ Is top management on board, and ready for innovation and adapting business practice?
- ✓ Who will be the champion and does he/she have sufficient resources and mandate?
- ✓ What are the existing local linkages and which existing procedures block newcomers?
- ✓ Can current business challenges be converted into impetus for a different approach that involves local partners?
- ✓ Which staff functions will need to incorporate linkages? How will staff be brought on board?
- ✓ What is the company's strategy for informing guests, and potential guests, of these innovations, and utilising marketing opportunities?
- ✓ What sources of external advice or facilitation can support the process?
- ✓ Do we have the appropriate How to guides to help invest in local procurement, partnerships or cultural heritage linkages?



## RESOURCES AND FURTHER INFORMATION

### 1) National Business Support Schemes

Organisation	Details	Contact information
<b>Financial support:</b>		
Black Business Suppliers Development Programme (BBSDF), <b>the dti</b>	Provides eligible black enterprises with a cost sharing grant to acquire training in management, enterprise specific skills (accreditation, enterprise specific skills (accreditation, software development, etc) and marketing.	Gabriel Makhonxa 012 394 1438 gabrielm@thedti.gov.za
Small Medium Enterprise Development Programme (SMEDP), <b>the dti</b>	Grant incentive scheme for qualifying capital assets.	Justice Ngwenya 012 394 1271 justicem@thedti.org.za
Industrial Development Corporation's (IDC) Tourism Business Unit	Finances loans larger than ZAR1 million. Requires owner's contribution of 40% or more total project value, although this is reduced to 20% for empowerment projects.	Katinka Schumann-Bester www.idc.co.za 011 269 3509 katinkas@idc.co.za
Khula Enterprise Finance	Banks can apply for a guarantee that acts as collateral for 80% of the total loan amount to an SMME(loans of ZAR50,000-ZAR1million). Plus gives information on Retail Finance Intermediaries.	Mr Martin Theron 012 324 8236 khulapretor@iafrica.com
National Empowerment Fund (NEF)	Provides equity and quasi-equity finance for economic empowerment transactions involving Historically Disadvantaged Individuals.	Ms Maud Khumalo 011 772 8014
<b>Training/Technical Support:</b>		
Small Enterprise Development Agency (SEDA), <b>the dti</b>	Agency for small business development; incorporating the previous Ntsika Enterprise Promotion Agency and Namac Trust. Entrepreneurs get help with business plans; technical advice; marketing; information on export support, tenders, incentives.	0860 103 703 seda@seda.org.za
Community Public Private Partnership (CPPP), SEDA	Provides support to various community based enterprise development.	Thuli Fakude 0860 103 703 tfakude@seda.org.za
Tourism Enterprise Programme (TEP) (Head Office Gauteng)	Provides services for growth and expansion of tourism-related SMMEs.	Nomsa Ngwenya 011 804 5750 Nomsa.Ngwenya@eciafrica.com
Foundation of African Business & Consumer Services (FABCOS)	Provides business courses to FABCOS Small Business Members; plus access to cheaper trading stock.	011 333 3701
Tourism, Hospitality, Education and Sport Training Authority (THETA)	Tourism Learnership Project to boost skills in the tourism and hospitality sector.	011 803 6010 info@theta.org.za

### 2) Tourism Organisations

Organisation	Details	Contact information
Tourism Business Council of South Africa (TBCSA)	Engages with all stakeholders to create an enabling environment for tourism development. Publications include: How to Start and Grow your Tourism Business (with DEAT); South African Tourism Industry Empowerment & Transformation Annual Reviews 2002 & 2003.	012 654 7525 tourism@tbcса.org.za www.tbcса.org.za
<b>the dti:</b> Tourism unit	Leads tourism investment programme; supports niche export markets; implements projects to improve sector competitiveness; a first point of contact for tourism businesses to access <b>the dti</b> offerings.	Kate Rivett-Carnac 012 394 1185 katec@thedti.gov.za Sifiso Mthembu - Deputy Director 012 394 1184 sifisom@thedti.gov.za
DEAT: Chief Directorate Tourism Development	Aims to: support transformation of tourism industry, particularly by providing opportunities for black business participation; facilitate implementation of tourism investment programmes; undertake focused research promoting tourism development and transformation.	Chief Director: Mahandra Naidoo 012 310 3846 mnaidoo@deat.gov.za Directorate Tourism Business Development Director: Lisa-Ann Hosking 012 310 3746 lhosking@deat.gov.za
Business Linkages in Tourism	Provides services to industry and government to facilitate pro-poor approaches in the tourism industry.	www.tbcса.org.za/blt bizlink@tbcса.org.za
Fair Trade in Tourism South Africa (FTTSA)	Encourages fair and responsible business practice; provides independent accreditation of establishments.	012 342 8037/8 info@fairtourismsa.org.za
Cooperative Marketing Alliance (ComMark Trust)	A British-backed development programme adapting existing services so that they become accessible for smaller businesses and start-ups	Paul Zille 011 802 0785 Email: paul@commark.org

### 3) Web Resources

Web resource	Web address
Tourism BEE Scorecard (DEAT)	www.environment.gov.za or www.tbcса.org.za
Broad-Based BEE Bill. <b>the dti.</b>	http://www.thedti.gov.za/bee/beebill.pdf
Tourism PPP Toolkits (National Treasury PPP Unit), 2005; Draft Tourism PPP Toolkit	http://www.ppp.gov.za/Toolkits/Draft/Toolkit.htm
Code of Good Practice for BEE in PPPs	http://www.thedti.gov.za/bee/CODESOFGOODPRACTICE.htm
Fair Trade in Tourism South Africa Resource Centre	http://www.fairtourismsa.org.za/resourcecentre/index.html
Guidelines for Responsible Tourism. DEAT. 2002.	http://www.icrtourism.org/International%20Initiatives/Responsible%20Tourism%20Guidelines.doc
Small and medium enterprise (SME) Toolkit (IFC) - toolkit for SMEs to learn sustainable business management practices	http://www.ifc.org/iftext/sme.nsf/Content/SME_Toolkit
Pro-Poor Tourism Pilots in Southern Africa – pilot site reports and tools used	http://www.pptpilot.org.za
Pro Poor Tourism Partnerships – international research and programmes on PPT	www.propoortourism.org.uk
The Tourism Industry and Poverty Reduction: A Business Primer (2002). PPT Briefing Paper No. 2.	www.propoortourism.org.uk/final%20business%20brief.pdf
ResponsibleTravel.com - website dedicated to promoting holidays that benefit local people and the environment	www.responsibletravel.com
Investing in People: Sustaining Communities through Improved Business Practice. A Community Development resource Guide for Companies. IFC, 2000.	http://www.ifc.org/iftext/enviro.nsf/Content/Publications (available to order)
African Institute of Corporate Citizenship (AICC)	http://www.aiccafrica.com/
A Practical Guide to Good Practice: Managing Environmental and Social Issues in the Accommodations Sector. Tour Operators Initiative: Center for Environmental Leadership in Business (USA)	http://www.toinitiative.org/supply_chain/HotelGuideEnglish.pdf
Global competitiveness project: Summary of key findings of phase 1. NTC. Jo'burg. Oct 2004. DEAT.	www.southafrica.net/satourism/research/viewResearchDetail.cfm ReportTypeCategoryID=35
Small Business project (SBP) in South Africa – facilitates linkages with SMEs	http://www.sbp.org.za
ODI Business and Development Programme	http://www.odi.org.uk/PPPG/activities/country_level/odpci/index.html



## BACKGROUND INFORMATION

The material in the 'How to...?' series draws heavily on the experience of 5 companies that were 'pilot partners' in the Pro Poor Tourism Pilots project (2002-2005). The 5 pilot sites are described below. Further information on the project can be found on [www.pptpilot.org.za](http://www.pptpilot.org.za).

### Wilderness Safaris' Rocktail Bay Lodge

- an upmarket coastal destination within the Coastal Forest Reserve of Maputaland
- accommodation is 5 star and consists of 10 tree lodges and a family unit (but is expanding)
- Wilderness Safaris is a large safari/ lodge operator that currently operates 45 camps/ lodges in 7 countries
- PPT focus was on strengthening the existing partnership with Mqobela community and developing a new partnership with the Mpukane community.

### Spier Leisure

- Spier Village Hotel is outside Stellenbosch in the winelands of the Western Cape
- accommodation consists of 155 rooms, targeted at the four star market
- Spier is owned by Spier Holdings, a large, family owned operation that also includes a winery and other leisure products
- it currently receives approximately 500 000 day visitors per annum
- PPT focus was on assisting Spier with the revision of its procurement policy and practice.

### Sun City

- Sun City is the largest resort in Southern Africa, renowned for its casino and entertainment, but expanding its appeal to families, business and sporting enthusiasts
- the resort has over 1,500 rooms in four 3 to 5 star hotels plus a time-share complex
- approximately 600,000 guests stay annually.
- Sun City is owned by Sun International, a large southern African hospitality company
- PPT focus was in small enterprise development for local suppliers.

### Ker & Downey, Tanzania

- Ker & Downey operates exclusive photographic and trophy hunting safaris in Tanzania's national parks
- it has 14 private concessions with a total area of over 32,000sq kilometres
- the business case to enhance PPT linkages rests on the need to secure the future of the hunting industry
- PPT focus was on how to restructure its range of community donations and interventions for more strategic input.

### Southern Sun

- Southern Sun Sandton Precinct consists of six hotels and the Sandton Convention Centre located in Gauteng province
- PPT partners, the 4 and 5 star InterContinental, Crown Plaza and Holiday Inn hotels have a total room capacity of approximately 1,700
- PPT focus was on strengthening links with its neighbour, Alexandra Township, mainly via township tours

### Fair Trade in Tourism accredited sites

To produce the 'How To...?' Series, interviews were held with operators at many other sites, many of which are accredited by Fair Trade in Tourism South Africa, (Calabash Tours, Jan Harmsgat Country House, Stormsriver Adventures, Shiluvuvari Lakeside Lodge, Lesheba Wilderness, Imvubu Nature Tours). More information on each of these is available at: <http://www.fairtourismsa.org.za>

Business Linkages in Tourism is a new business set up to continue PPT facilitation services on a self-financing basis, beyond the PPT Pilots project. It is initially housed in TBCSA. It provides services in the strategic planning and facilitated delivery of: product development based on local business linkages; procurement of goods and services locally; cultural and heritage product development; sustainable local partnerships for tourism development; development of clusters and networks for tourism-led development.

Contact Adrienne Harris ([bizlink@tbcsa.org.za](mailto:bizlink@tbcsa.org.za)) [www.tbcsa.org.za/blt](http://www.tbcsa.org.za/blt)

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*"We just tried it. Just do it."*

*"Enthusiasm on the part of all the participants is critical. In fact, as a single ingredient, enthusiasm is probably the most important."*

*"It was good that we started ignorant. If we'd known the issues when we started, I'm not sure we'd have done it."*

*"Secondary impacts are greater than anticipated, because of people's responses to the process."*

**Building local linkages**

*"If business is set on values, when people come into jobs they need to buy into them. If they don't it will always be an uphill battle."*

*"If you don't get the stick and the carrot right, you can forget it."*

*"Sustainability training - a cheap and powerful way of changing thinking."*

**Managing change**

*"Just asking questions leads to a process of change. It gets people to think. (Since the supplier questionnaire was sent out) I've had people collar me to tell me how discussions and processes are underway."*

*"What we do is make it part of our brand value and expect all of our people to deliver on it."*

*"Deliver then promise."*

*"Give staff time to get directly involved in local initiatives. It is good for staff morale and team building, and also helps develop their commitments and understanding of local agenda."*

*"Just get on with it. Don't lose too much sleep over the lack of delivery by government."*

*"Any change has costs. Management intervention into what is normal day-to-day operations will create turbulence."*

*"If we had gone for a piecemeal approach, it would have been much more difficult."*

**Linkages as a corporate priority**

*"People in hospitality started thinking about pro poor tourism and linkages. To move the linkages into their agenda was a big benefit (of PPT facilitation)."*

*"The Imvelo Award sitting in our bar scores big points."*

*"Now we are known as people for whom staff is important. Now it differentiates us from others."*

*"Going through the (FTT) accreditation process was very useful. It made us focus on new issues and debate them."*

*"The success of Damaraland Camp enhanced the brand, and helped position us with reference to responsible tourism."*

*"It depends on whether a guest is buying an expectation of community development when they buy the brand."*

*"If we can do this much as a little company, how much more could big guys do?"*

*"In a corporate you think differently, so fresh ideas from others...how about this way... stimulate you."*