

Why #LockdownSA shouldn't be a holiday for tourism SMMEs

According to Robyn Christie, Agility Hospitality industry consultant and advisor, smaller enterprises in the hospitality industry, in particular, face a battle for survival even in light of the relief measures for SMMEs government has announced. The lockdown time could be put to good use to make such businesses more competitive and efficient.



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"Smaller hospitality businesses in particular, such as owner-run B'n'Bs and guesthouses, often do not consider it necessary to develop a disaster management plan. As the present crisis shows, we all need to plan for the unexpected and this is the ideal time to strategise and future-proof your business," says Christie.

Christie notes that although many of the bookings over this time have been postponed rather than cancelled, which at least provides some liquidity perhaps at this stage or during the lockdown, "the reality is that many smaller businesses will struggle to survive with three weeks' lost revenue".

Strengthening operations

She points out that these businesses very seldom have reserves to carry their business for a month or two. "Now is the time for such business owners to examine every cost and expense, look into more cost-efficient payment and invoicing systems and find ways of making their businesses run more efficiently and better," advises Christie.

"In personal finance, we are advised to save three months' salary in case of an emergency – and I would encourage hospitality SMMEs to look at their pricing structure to build reserves in much the same way. While pricing needs to be competitive, it is also absolutely necessary to put money back into the business and build savings."

“From a business perspective, we need to strengthen our defences against cyberattacks and malware and be particularly cautious about criminal activity. Protecting the business and its customers is paramount.”

She warns that the economic pressures faced by companies and individuals, working in this industry among others, as a result of the Covid-19 outbreak can also create an environment of greater susceptibility to scams and fraudulent activities.

"From a business perspective, we need to strengthen our defences against cyberattacks and malware and be particularly cautious about criminal activity. Protecting the business and its customers is paramount.

"We also need to do our utmost to ensure the wellbeing of the staff who are unable to work at this time. Mental wellness is going to be a big challenge during lockdown, because one never knows the extent to which people are in debt, struggling in their relationships or grappling with substance abuse, for example. All these problems may be exacerbated under lockdown conditions," she says.

Bianca Viljoen, director of the Agility Hospitality Employee Benefits programme, points out that businesses who have made use of the Agility Hospitality solution, for example, have gained access to resources to help their staff through this potentially challenging time.

These include:

- 24/7 confidential and unlimited access to personal support and psycho-social counselling;
- Telephonic HIV /AIDS counselling;
- Life management services inclusive of legal, financial and family care services.

Christie says that the lockdown will give pause for thought for many business owners to consider the range of risks that can be mitigated through taking care of staff members as part of any small business's day-to-day operations, as well as in the context of a disaster management plan.

Viljoen advises that the best way to ensure the business is protected from such risks is through an integrated human capital approach that encompasses occupational health, preventative and curative care.

"Where these aspects are dealt with separately, opportunities to identify and proactively manage risk can easily be missed.

"Investing in end-to-end employee health, risk and wellbeing solution provides an opportunity for employers in the hospitality industry to safeguard their workforce during the current Covid-19 lockdown and into the future, so that businesses will be top of their game when our hospitality industry is able to re-open," concludes Viljoen.

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