

# HVS launches executive matchmaking service for Africa's hotel industry

Tourism's importance as a driver of the South African economy is increasing which has led global hospitality consulting firm, HVS to open a branch of <u>HVS Executive Search Africa</u>, based in Cape Town, which will focus on corporate positions, general managers and heads of department in the hotel industry across the continent.



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#### **Growth of Tourism on the African continent**

According to Stats SA, over 10 million international tourists visited South Africa in 2016. The United Nations World Tourism Organisation (UNWTO) forecasts that international tourist arrivals in Africa will increase by between 5% and 6% in 2017.

At the recent Meetings Africa Conference, Tourism Minister Derek Hanekom said in his opening address that arrivals to South Africa from other countries in Africa grew by 11% in 2016, while overseas arrivals increased by 18%. "Travel and tourism now contributes around 3.3% to Africa's GDP, and supports over nine million jobs directly, or 3% of total employment. The World Travel and Tourism Council forecasts that the number of jobs in tourism will grow this year," said Hanekom.

The significant rise in the African middle class across the continent is also giving more exposure to the hotel industry and creating rising demand for employment in the sector.

#### Dealing with a huge amount of churn and lack of staff loyalty in the industry

"One of the challenges of running hotels in Africa is finding good quality staff. Then once you've found them, you've got to retain them because with the huge number of hotels opening up across the continent, they can always be poached for better conditions or slightly higher salaries. So you can spend a lot of time and money training staff, but the minute another hotel opens, they're looking to poach the good staff," said Tim Smith, managing partner at HVS in Cape Town.

Smith says the huge amount of churn and lack of staff loyalty in the industry is mostly due to the fact that a lot of staff are not properly looked after. "Taking care of staff builds staff loyalty, which reduces the cost of recruitment and promotes rising service levels. This impacts positively on the guest experience, making it a long-term driver of revenue," he says

Looking after staff, training them, understanding their needs and getting the right people in the right positions to start with can reduce the level of chum, Smith says.

### **Executive matchmaking service**

The advantage that HVS offers the hotel industry is that the company's sole focus is on hotels and hospitality. "We do nothing but hotels. We're hotel operators ourselves and we understand what people want and need from a management and a corporate perspective as well as an individual perspective," says Smith.

Smith emphasises that they're not offering recruitment, but rather an executive matchmaking service.

"HVS has an extensive database of senior management and we do the search and then talk to the people that we believe are right for the position and the organisation. And then we match the individual and the position. Because we know both the individuals and the hotels very well, we're able to come from an in-depth understanding of what's required from both parties," he explains.

"We spend a large amount of time understanding the role and the company and the ethos of exactly what they are looking for. We spend an equally large amount of time understanding the candidates and what they're looking for in terms of their career structure," he adds.

HVS Executive Search has already met with substantial success in the Asian, European and North American markets and is now looking to replicate that success in the Middle East and African markets. Smith defines that success by the number of positions filled, the longevity of people staying in those positions and the degree to which those individuals influence the industry.

## **Getting African people into senior positions**

"HVS has access to global reach to find the right people for the positions, but at the same time, our priority is to get African people into senior positions.

At the moment, there is only a staggeringly small number of African GMs across the market. So we're looking to promote from within and to work with companies to give them internal training platforms to upskill their staff to senior and executive management level," he says.

Smith says it's crucial that executive management has a cultural understanding of the local communities' needs, how to work with the local communities and what benefits they can bring to those communities and vice versa. "At the moment, the problem is that people from European hotel schools are coming to work in Africa with the mind-set to stay here for two years as a stepping stone on their way to Dubai, or somewhere in Europe," says Smith.

"We're not looking for people who are counting down the days until they can leave Africa for somewhere else. We're looking for people who want to be in a position for at least five years and then move to another position on the continent," he says.

Smith has been appointed as a guest lecturer at one of the top hotel schools in South Africa. He says his role is to help to ensure that students graduate with skills that will help them to make a notable difference in the industry. HVS Executive Search Africa aims to positively impact employment in the hotel industry and to support empowerment and upliftment of local communities through training, recruiting and promoting hospitality as a long-term sustainable career.

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