Growing the tourism sector

South Africa is one of the top leisure destinations in the world. With its rich diversity and culture, and picture-perfect scenery, our country has a lot to offer avid travellers.

Every year around this time, the spotlight falls on the tourism sector and focuses on its social, cultural, political and economic value. In the spirit of Tourism Month, PSM thought it fitting, then, to speak to the man at the helm of South Africa’s Department of Tourism.

We meet the Department of Tourism’s Director-General (DG), Ambassador Kingsley Makhubela, in his immaculate office, beautifully decorated with rich dark brown furniture, with a splash of blue coming from the couches. Makhubela, who spent most of his public service career as a diplomat serving in Europe and Africa, shared with PSM his department’s goals to grow the country’s tourism.

The tourism sector, which already makes a substantial contribution to the country’s economic growth, is seen as a key sector that could contribute to government’s job creation drive.

“Tourism contributes about 9% to the country’s gross domestic product (GDP) and it contributes to job creation,” says Makhubela. “These are the two critical areas of our contribution. Going forward, we would like to contribute half a trillion rand into the South African economy and create an extra 225 000 jobs by 2020. I think these targets are achievable.”

These targets were set in the recently launched National Tourism Sector Strategy (NTSS), which aims to position South Africa as one of the top 20 tourism destinations globally by 2020. The NTSS aims to drive the tourism economy, enhance visitor experiences, position South Africa as a destination of choice and sustain good governance in the industry.

“The NTSS actually defines the roles and contribution of both the private and public sector. It’s a good arrangement, because we’re able to influence each other in the tourism sector.”
The NTSS will focus primarily on arrivals, GDP and job creation; and will direct the achievement of increased numbers of tourists to South Africa by, among other things, working towards increasing the number of foreign tourist arrivals to 15 million in 2020. The strategy also aims to increase domestic trips from 30.9 million in 2009 to 54 million by 2020.

“It’s a long-term strategy, but what’s important for us now is that we’re in accord with the private sector. We agree that there’s a need to harness and contribute to the tourism sector, and channel our resources – both in the private and public sector in achieving the targets.” Yet as with any strategy, it will have to be tested to realise its impact. The department will be doing its mid-term review before the end of this financial year, and will look at the impact of the NTSS.

Domestically, though, South Africans don’t travel enough in their own country. Numbers have been going down. In 2009, there were close to 33 million visits; these have dropped to 28 million. “We need to cultivate the domestic market, because there hasn’t been any strategy to deal with the domestic market, but now it’s a deliberate thing that we want to cultivate this.”

Contributing factors to the dip in numbers vary, but the one obvious factor is that tourists go to where there’s value for their money.

“We’ve begun to realise that we haven’t packaged the resources that we have within our country to their full potential, and that we need to improve on this. Similarly, we’ve developed the cultural and heritage strategy, together with the Department of Arts and Culture on heritage sites, not only for people but for interested academics.” Additionally, the department has developed the Rural Tourism Strategy to explore what the rural areas can offer.

The department has also developed the Domestic Tourism Strategy, which aims to increase the revenue and volumes of domestic tourism, enhance measures and efforts aimed at addressing seasonality, promote an equitable geographic spread and – importantly – to entrench a culture of tourism among all South Africans. Domestic tourism is crucial and for many years government did not focus on it. In the last two years, however, the department has been developing a strategy that speaks to the potential of domestic tourism. This approach will also cushion the country against the turbulence of the global economy.

“It deals with the fact that across the three spheres of government, we’ve earmarked resources for tourism. We need to look at how we then manage these resources.” Over and above this, the department is ensuring that facilities are up to standard for local travellers. Activities such as the Cape Town Jazz Festival draw big crowds, and the department is looking at ways of spreading these activities to ensure that they can attract domestic tourists too.

“During the next financial year, we want to see the implementation of the strategies so that we can start to evaluate the impact that they have.”

The 1.3 million public servants spread out across the country remain an untapped market. Research on where public servants spend their leave days and what their travelling patterns are, does not exist. Makhubela agrees that this is a weakness and that currently there is no formal strategy to address this, but he believes that this is a business model that should be explored. The Domestic Tourism Strategy will also address this and other issues.

Going forward, Makhubela says their focus is on making a footprint on the emerging market and consolidating their presence in traditional markets. “It is of critical importance that we develop our domestic market, because domestic tourism is the backbone of any economy. If you look at the Chinese, for example, they do about 1.4 billion visits domestically. Their domestic travel is so successful that China is not interested in attracting tourists from abroad.”

Growth from within the continent, says Makhubela, is also crucial. “We’re also starting to say, as a department and South African Tourism, that perhaps we need to start looking at a cluster approach – we... continued on page 29
Profiles in leadership

don't have the resources to be in every part of the world and the global trend is starting to move towards regional blocs. With this approach, we can reach a lot of countries by marketing from one point. We're all competing for tourists around the world, so if we don't prepare ourselves to compete on this global stage, it's going to be difficult to realise the numbers that we have in the NTSS.

For Makhubela, who has been the DG at the department since 2010, the highlights for the department include the legislative reform of the whole tourism sector and the fact that the department has realigned its organisational capability to deal with both domestic and international tourism. "The International Branch does a lot of analysis, and looks at the diplomatic representation we have around the country and how to better harness that.

"Following President Jacob Zuma's international relations strategy in 2010, the department is working with the Department of International Relations and Cooperation (Dirco), which has been conducting a few economic diplomacy workshops to streamline our activities. I would regard that as one critical achievement, to bridge the silos within government so that we are able to work together and use our resources to be able to achieve bigger results."

Makhubela, who calls himself a diplomat and not a tourist, is a strong believer in team work and believes that all the achievements of the department have been realised because of the contribution of ordinary staff. "My contribution is very small, because the people who are doing a lot of work are the rank and file of the department."

Before joining the Department of Tourism, he was a Deputy DG and the Chief of State Protocol at Dirco.

He joined the then Department of Foreign Affairs in 1994. Between 1994 and 1996, he served as Chief of State Visits and from 1996 to 2001 he was South Africa’s ambassador to Portugal.

He also served as South African High Commissioner to the Republic of Kenya, after which he was appointed as Chief Director for East Africa and Indian Ocean Islands in the then Department of Foreign Affairs, until 2007.

As DG of Tourism, his biggest challenges are the management of two critical issues: human resources and financial resources. Any manager in the Public sector will agree that the two are critical and challenging. "If you deal with those issues, you're able to motivate people to make meaningful contributions. In terms of financial resources, it's ensuring that with the meagre resources that we have across government, we are able to achieve greater results sometimes."

On the positive side, the department is making inroads on empowering its staff and has partnered the University of Pretoria, the University of Johannesburg, the University of Venda, Cape Peninsula and the University of Zululand for staff to develop capacity. "If we're going to be doing analysis of the global market and behaviour of the global market in as far as tourism is concerned, we need to have appropriate skills."

There are also short courses identified for staff that will skill them in strategic analysis and market behaviour. In the long term, the department is making contributions to the five universities, particularly in the faculties of tourism, to start developing intellectual capability; not only for departments but also for the sector, to sponsor great minds and people who are capable to do postgraduate and doctoral research work.

"We hope that once these people are done studying, they will contribute in one way or another. We need the sector to have enough intellectual capacity."

Makhubela is clearly passionate about people empowerment. "It feels good, I must tell you, it feels good to sit down and come up with strategies that will empower people to understand this industry much better and actually take it as an industry of choice in which to both develop their skills and work."

As we come to the end of our interview, Makhubela expresses his hope that, if he was to be moved from tourism, history will be kind to him. "I want to make a contribution in such a way that history will be very kind to me, to say that when this person was a DG, this is the contribution that he made."

Makhubela is a true leader who plays a crucial role in ensuring that the department achieves its vision to grow and develop the industry.