

May 2020

Labor Market Analysis

Hospitality



California
Community
Colleges



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Prepared by the Central Valley/Mother Lode Center of Excellence

Table of Contents

- Summary 3
 - Key findings 3
- Introduction..... 4
- Occupational Demand 5
- Wages..... 6
- Job Postings 6
 - Salaries 7
 - Education..... 7
 - Baseline and Specialized Skills 8
 - Software Skills 8
 - Certifications 9
- Education, Work Experience & Training..... 9
- Supply..... 10
 - Gap Analysis..... 10
- Conclusion 11
- Recommendation 11
- Appendix A: Methodology & Data Sources 12

COVID-19 Statement: This report includes employment projection data by EMSI. EMSI’s projections are modeled on recorded (historical) employment figures and incorporate several underlying assumptions, including the assumption that the economy during the projection period will be at approximately full employment or potential output. To the extent that a recession or labor shock, such as the economic effects of COVID-19, can cause long-term structural change, they may impact the projections. At this time, it is not possible to quantify the impact of COVID-19 on projections of industry and occupational employment. Other measures such as unemployment rates and monthly industry employment estimates will reflect the most recent information on employment and jobs in the state and, in combination with input from local employers, may help validate current and future employment needs as depicted here.

If for any reason this document is not accessible or if you have specific needs for readability, please contact us and we will do our utmost to accommodate you with a modified version. To make a request, contact Nora Seronello by phone at (209) 575-6894 or by email seronellon@mjc.edu.

Summary

Please note the COVID-19 statement on page 2 when considering this report's findings.

This study conducted by the Central Valley/Mother Lode Center of Excellence examines labor market demand, wages, skills, and postsecondary supply for hospitality. Five occupations related to hospitality were identified for West Hills College Lemoore:

- 35-1012, First-Line Supervisors of Food Preparation and Serving Workers
- 11-9051, Food Service Managers
- 13-1121, Meeting, Convention, and Event Planners
- 11-9081, Lodging Managers
- 11-9071, Gaming Managers

Key findings:

- **Occupational demand** — More than 8,300 workers were employed in jobs related to hospitality in 2019 in the South Central Valley/Southern Mother Lode (SCV/SML) subregion. The largest occupation is first-line supervisors of food preparation and serving workers with 5,118 workers in 2019, a projected growth rate of 13% over the next five years, and 964 annual openings.
- **Wages** — Gaming managers earn the highest entry-level wages of \$15.79/hour in the subregion and \$15.92/hour in the region.
- **Employers** — Employers with the most job postings in the subregion are Starbucks Coffee Company, Pilot Flying J, and McDonald's.
- **Occupational titles** — The most common occupational title in job postings in the subregion is food service managers. The most common job title is assistant manager.
- **Skills and certifications** — The top baseline skill is communication, the top specialized skill is customer service, and the top software skill is Microsoft Office. The most in-demand certification is a driver's license.
- **Education** — A high school diploma is typically required for four of the five occupations. A bachelor's degree is typically required for meeting, convention, and event planners.
- **Supply** — Analysis of postsecondary completions in the region shows that on average 83 awards were conferred in the Central Valley/Mother Lode region each year.

Based on a comparison of occupational demand and supply, there is an undersupply of 1,321 trained workers in the subregion and 2,168 workers in the region. The Center of Excellence recommends that West Hills College Lemoore work with the Retail, Hospitality, Tourism and Entertainment Regional Director, the college's advisory board, and local industry in the expansion of programs to address the shortage of hospitality workers in the region.

Introduction

The Central Valley/Mother Lode Center of Excellence was asked by West Hills College Lemoore to provide labor market information for hospitality. Review of the Taxonomy of Programs (TOP) and Classification of Instructional Programs (CIP) found the following programs are appropriate for this analysis:

- 130700 – Hospitality
- 130710 – Restaurant and Food Services and Management
- 130720 – Lodging Management
- 130730 – Resort and Club Management

The geographical focus for this report is the South Central Valley/Southern Mother Lode (SCV/SML) subregion, but regional demand and supply data has been included for broader applicability and use. The average living wage for a single adult in the South Central Valley/Southern Mother Lode (SCV/SML) subregion is \$10.30/hour.¹ Analysis of the program and occupational data related to hospitality resulted in the identification of applicable occupations. The Standard Occupational Classification (SOC) System codes and titles used in this report are:

- 35-1012, First-Line Supervisors of Food Preparation and Serving Workers
- 11-9051, Food Service Managers
- 13-1121, Meeting, Convention, and Event Planners
- 11-9081, Lodging Managers
- 11-9071, Gaming Managers

The occupational titles, job descriptions, sample job titles, and knowledge and skills from the Bureau of Labor Statistics and O*NET OnLine are shown below.

First-Line Supervisors of Food Preparation and Serving Workers

Job Description: Directly supervise and coordinate activities of workers engaged in preparing and serving food.

Knowledge: Customer and Personal Service, Administration and Management, Food Production, Production and Processing, English Language

Skills: Active Listening, Monitoring, Service Orientation, Speaking, Coordination

Food Service Managers

Job Description: Plan, direct, or coordinate activities of an organization or department that serves food and beverages.

Knowledge: Customer and Personal Service, Administration and Management, English Language, Personnel and Human Resources, Education and Training

Skills: Service Orientation, Active Listening, Management of Personnel Resources, Monitoring, Speaking

¹ The term "living wage" in Center of Excellence reports is calculated by averaging the self-sufficiency wages from the Insight Center's California Family Needs Calculator for each county in the subregion: <https://insightccd.org/tools-metrics/self-sufficiency-standard-tool-for-california/>.

Meeting, Convention, and Event Planners

Job Description: Coordinate activities of staff, convention personnel, or clients to make arrangements for group meetings, events, or conventions.

Knowledge: Customer and Personal Service, English Language, Communications and Media, Clerical, Administration and Management

Skills: Active Listening, Reading Comprehension, Speaking, Coordination, Critical Thinking

Lodging Managers

Job Description: Plan, direct, or coordinate activities of an organization or department that provides lodging and other accommodations.

Knowledge: Administration and Management, English Language, Personnel and Human Resources, Customer and Personal Service, Mathematics

Skills: Active Listening, Service Orientation, Management of Personnel Resources, Social Perceptiveness, Speaking

Gaming Managers

Job Description: Plan, direct, or coordinate gaming operations in a casino. May formulate house rules.

Knowledge: Customer and Personal Service, Administration and Management, Mathematics, Computers and Electronics, English Language

Skills: Coordination, Critical Thinking, Management of Personnel Resources, Speaking, Monitoring

Occupational Demand

The South Central Valley/Southern Mother Lode subregion employed 8,338 workers in hospitality occupations in 2019 (Exhibit 1). The largest occupation is first-line supervisors of food preparation and serving workers with 5,118 workers in 2019. This occupation is projected to grow by 13% over the next five years and has the greatest number of projected annual openings, 964.

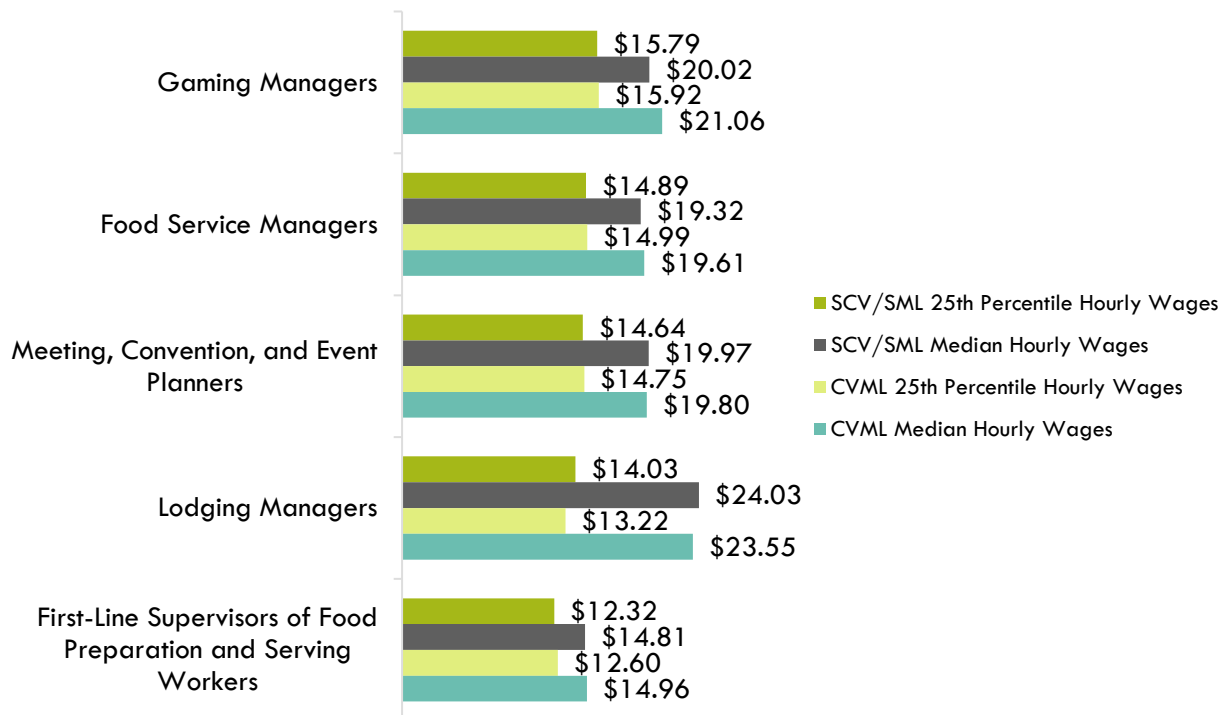
Exhibit 1. Hospitality employment and occupational projections in the SCV/SML subregion

Occupation	2019 Jobs	2024 Jobs	5-Year Change	5-Year % Change	Annual Openings
First-Line Supervisors of Food Preparation and Serving Workers	5,118	5,775	657	13%	964
Food Service Managers	2,476	2,617	141	6%	327
Meeting, Convention, and Event Planners	389	427	38	10%	54
Lodging Managers	300	303	3	1%	34
Gaming Managers	56	57	1	2%	7
Total	8,338	9,178	840	10%	1,386

Wages

Exhibit 2 compares the entry-level and experienced wages of the hospitality occupations. Gaming managers earn the highest entry-level wages of \$15.79/hour in the subregion and \$15.92/hour in the region.

Exhibit 2. Entry-level and experienced wage comparison in the SCV/SML subregion and region



Job Postings

There were 1,696 job postings for the five occupations in the SCV/SML subregion from October 2019 to March 2020. The employers with the most job postings are listed in Exhibit 3.

Exhibit 3. Top employers by number of job postings for hospitality

Employer	Job Postings	% of Job Postings
Starbucks Coffee Company	205	13%
Pilot Flying J	52	3%
McDonald's	50	3%
Domino's Pizza	42	3%
Taco Bell	39	3%
Burger King	38	2%
H&R Block	38	2%
Panda Express	30	2%
Bjs Restaurants Incorporated	27	2%
Panera Bread	27	2%

Exhibit 4 shows how job postings for the targeted occupations in the SCV/SML subregion are distributed across five O*NET OnLine occupations. The occupational title food service managers is listed in 839 job postings, followed by first-line supervisors of food preparation and serving workers, 705. Common job titles in postings include assistant manager, 194 job postings, store supervisor, 182, and restaurant manager, 115.

Exhibit 4. Top occupational titles in job postings for hospitality

Occupational Title	Job Postings	% of Job Postings
Food Service Managers	839	49%
First-Line Supervisors of Food Preparation and Serving Workers	705	42%
Meeting, Convention, and Event Planners	89	5%
Lodging Managers	59	3%
Gaming Managers	4	0%

Salaries

Exhibit 5 shows the “Market Salaries” for hospitality occupations that are calculated by Burning Glass which uses a machine learning model built off of millions of job postings every year, and accounts for adjustments based on locations, industry, skills, experience, education requirements, among other variables.

Exhibit 5. Salaries for hospitality

Market Salary Percentile	Salary Amount
10th Percentile	\$24,860
25th Percentile	\$27,326
50th Percentile	\$30,840
75th Percentile	\$39,603
90th Percentile	\$48,906

Education

Of the 1,696 job postings, 870 listed an education level preferred for the positions being filled. Among those, 73% requested high school or vocational training, 31% requested a bachelor’s degree, and 14% requested an associate degree (Exhibit 6).

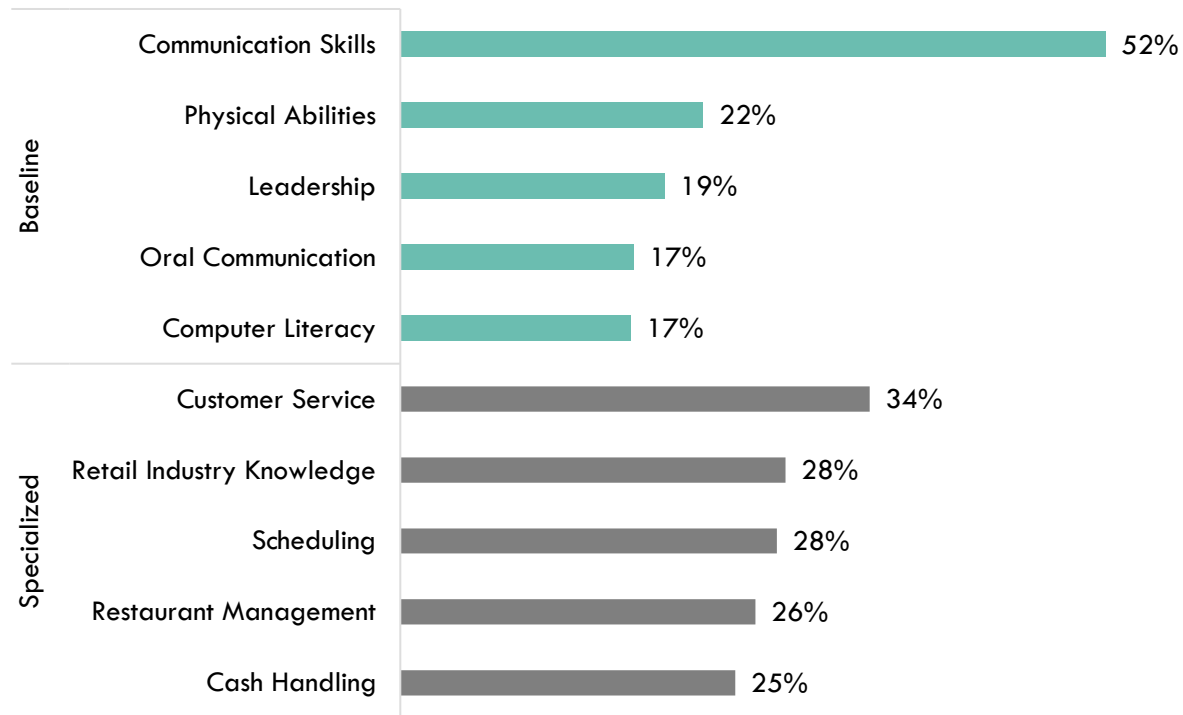
Exhibit 6. Education levels requested in job postings for hospitality

Education level	% of Job Postings
High school or vocational training	73%
Bachelor's degree	31%
Associate degree	14%
Master's degree	4%
Doctoral degree	1%

Baseline and Specialized Skills

Exhibit 7 depicts the top baseline and specialized skills for the targeted occupations. The three most important baseline skills are communication, 52% of job postings, physical abilities, 22%, and leadership, 19%. The top three specialized skills are customer service, 34% of job postings, retail industry knowledge, 28%, and scheduling, 28%.

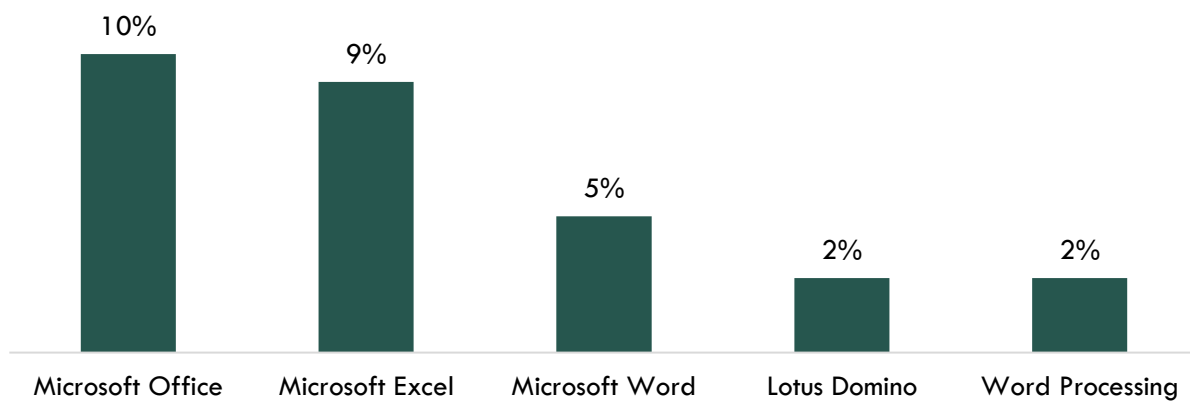
Exhibit 7. In-demand hospitality baseline and specialized skills



Software Skills

Analysis also included the software skills most in demand by employers. Microsoft Office and Microsoft Excel rank first and second (Exhibit 8).

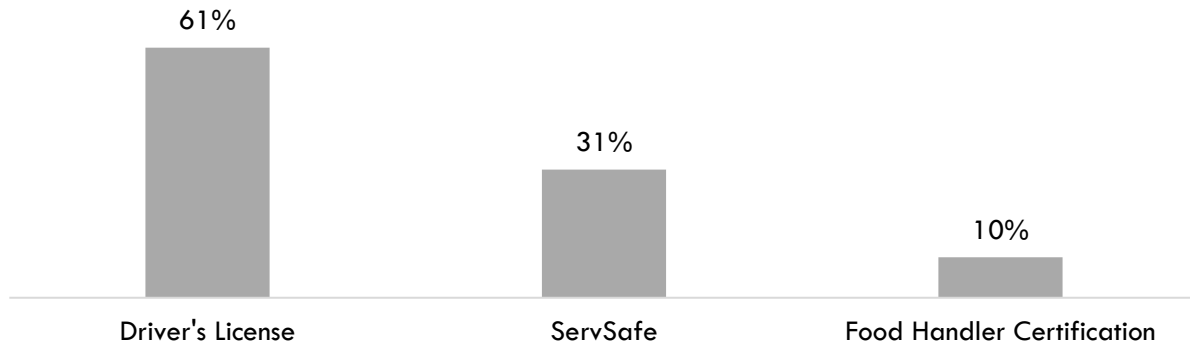
Exhibit 8. In-demand hospitality software skills



Certifications

Of the 1,696 job postings, 521 contained certification data. Of those, 61% indicated a need for a driver's license. The next top certifications are ServSaf and Food Handler Certification (Exhibit 9). (Due to the low number of job postings with certifications listed, the chart below may not be representative of the full sample.)

Exhibit 9. Top hospitality certifications requested in job postings



Education, Work Experience & Training

A high school diploma is typically required for four of the five occupations (Exhibit 10). A bachelor's degree is typically required for meeting, convention, and event planners. An occupation with a bachelor's degree as its typical entry-level education is considered middle-skill when one-third or more of current workers have completed some college up to an associate degree as their highest level of education. Meeting, convention, and event planners have a CPS percentage of 23%.

Exhibit 10. Education, work experience, training and Current Population Survey results for hospitality occupations²

Occupation	Typical Entry-level Education	Work Experience Required	Typical On-The-Job Training	CPS
Food Service Managers	High school diploma or equivalent	Less than 5 years	None	36.9%
Gaming Managers	High school diploma or equivalent	Less than 5 years	None	43.0%
Lodging Managers	High school diploma or equivalent	Less than 5 years	None	34.0%
Meeting, Convention, and Event Planners	Bachelor's degree	None	None	23.3%
First-Line Supervisors of Food Preparation and Serving Workers	High school diploma or equivalent	Less than 5 years	None	33.3%

² "Labor Force Statistics from the Current Population Survey," Bureau of Labor Statistics, <https://www.bls.gov/cps/>.

Supply

Analysis of program data from the California Community Colleges Chancellor’s Office Data Mart included the TOP and CIP codes: 130700 – Hospitality, 130710 – Restaurant and Food Services and Management, 130720 – Lodging Management, and 130730 – Resort and Club Management. Analysis of the last three years of TOP code data shows that, on average, 83 awards were conferred in the Central Valley/Mother Lode region each year (Exhibit 11).

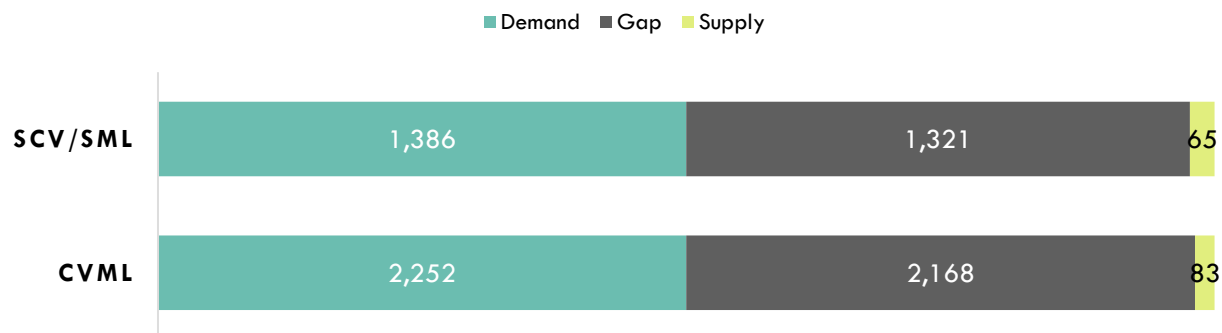
Exhibit 11. Postsecondary supply for hospitality occupations in the region

TOP or CIP Title-Code	College	2015-16	2016-17	2017-18	Latest 3-Year Average
130700 - Hospitality	Columbia	-	-	1	0
	Bakersfield	2	3	1	2
130710 - Restaurant and Food Services and Management	Columbia	32	13	9	18
	Fresno City	1	-	3	1
	Sequoias	2	-	1	1
	West Hills Lemoore	86	42	42	57
130720 - Lodging Management	West Hills Lemoore	-	-	5	2
130730 - Resort and Club Management	West Hills Lemoore	1	4	2	2
Total		124	62	64	83

Gap Analysis

There is an undersupply of 1,321 hospitality workers in the SCV/SML subregion and 2,168 workers in the region (Exhibit 12).

Exhibit 12. Hospitality workforce annual demand and supply in the SCV/SML subregion and region



Student Outcomes

Exhibit 13 summarizes employment and wage outcomes from the California Community College Chancellor’s Cal-PASS Plus LaunchBoard for the TOP codes related to hospitality. Across the region, 14 restaurant and food services management students received a degree/certificate or attained apprenticeship journey status, and 10 hospitality students transferred.

Exhibit 13. Regional metrics for the TOP code related to hospitality

Metric	Hospitality 130700	Restaurant & Food Services Management 130710
Students Who Got a Degree or Certificate or Attained Apprenticeship Journey Status	*	14
Number of Students Who Transferred	10	*
Job Closely Related to Field of Study	80%	50%
Median Change in Earnings	29%	216%
Attained a Living Wage	48%	28%
* denotes data not available.		

Conclusion

The entry-level wages of the five occupations exceed the SCV/SML subregion’s average living wage. There were 1,696 job postings in the past six months for occupations related to hospitality in the subregion. Analysis of skills and certification requirements in job postings indicates:

- The top baseline skill is communication, and the top specialized skill is customer service.
- The top software skill is Microsoft Office.
- The top certification is a driver's license.

There is an undersupply of trained workers, a shortage of 1,321 in the SCV/SML subregion and 2,168 in the region.

Recommendation

Based on these findings, it is recommended that West Hills College Lemoore work with the Retail, Hospitality, Tourism and Entertainment Regional Director, the college’s advisory board, and local industry in the expansion of programs to address the shortage of hospitality in the region.

Appendix A: Methodology & Data Sources

Data Sources

Labor market and educational supply data compiled in this report derive from a variety of sources. Data were drawn from external sources, including the Economic Modeling Specialists, Inc., the California Community Colleges Chancellor’s Office Management Information Systems Data Mart and the National Center for Educational Statistics (NCES) Integrated Postsecondary Education Data System (IPEDS). Below is the summary of the data sources found in this study.

Data Type	Source
Labor Market Information/Population Estimates and Projections/Educational Attainment	Economic Modeling Specialists, Intl. (EMSI). EMSI occupational employment data are based on final EMSI industry data and final EMSI staffing patterns. Wage estimates are based on Occupational Employment Statistics (QCEW and Non-QCEW Employees classes of worker) and the American Community Survey (Self-Employed and Extended Proprietors). Occupational wage estimates also affected by county-level EMSI earnings by industry: economicmodeling.com .
Typical Education Level and On-the-job Training	Bureau of Labor Statistics (BLS) uses a system to assign categories for entry-level education and typical on-the-job training to each occupation for which BLS publishes projections data: https://www.bls.gov/emp/tables/educational-attainment.htm .
Labor Force, Employment and Unemployment Estimates	California Employment Development Department, Labor Market Information Division: labormarketinfo.edd.ca.gov .
Job Posting and Skills Data	Burning Glass: burning-glass.com/ .
Additional Education Requirements/ Employer Preferences	The O*NET Job Zone database includes over 900 occupations as well as information on skills, abilities, knowledge, work activities and interests associated with specific occupations: onetonline.org .

Key Terms and Concepts

Annual Job Openings: Annual openings are calculated by dividing the number of years in the projection period by total job openings.

Education Attainment Level: The highest education attainment level of workers age 25 years or older.

Employment Estimate: The total number of workers currently employed.

Employment Projections: Projections of employment are calculated by a proprietary Economic Modeling Specialists, Intl. (EMSI) formula that includes historical employment and economic indicators along with national, state and local trends.

Living Wage: The cost of living in a specific community or region for one adult and no children. The cost increases with the addition of children.

Occupation: An occupation is a grouping of job titles that have a similar set of activities or tasks that employees perform.

Percent Change: Rate of growth or decline in the occupation for the projected period; this does not factor in replacement openings.

Replacements: Estimate of job openings resulting from workers retiring or otherwise permanently leaving an occupation. Workers entering an occupation often need training. These replacement needs, added to job openings due to growth, may be used to assess the minimum number of workers who will need to be trained for an occupation.

Total Job Openings (New + Replacements): Sum of projected growth (new jobs) and replacement needs. When an occupation is expected to lose jobs, or retain the current employment level, number of openings will equal replacements.

Typical Education Requirement: represents the typical education level most workers need to enter an occupation.

Typical On-The-Job Training: indicates the typical on-the-job training needed to attain competency in the skills needed in the occupation.