

# Program Endorsement Brief:

Lake Tahoe: Hospitality Management

**North/Far North Center of Excellence, December 2018**

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## INTRODUCTION

Lake Tahoe Community College is exploring a Hospitality Management program. This report provides an overview of the labor market demand and supply for related hospitality occupations. It provides an overview of the employment opportunities and existing community college programs that prepare students for the profession.

Key findings include:

- The 22-county NFN region has 550 projected annual openings for food service and lodging managers; most of these are in the Greater Sacramento region (North region). These occupations have displayed strong historical growth.
- The NFN region has posted 1,500 postings annually for related positions in recent years.
- The median hourly wages range from \$20 per hour to \$22 per hour for the occupations studied.
- The occupations studied are solidly middle skill.
- The region produces few hospitality and food service-related awards—just 70 on average annually.

Findings in this report were determined using labor market data from the Bureau of Labor Statistics (BLS), U.S. Census Bureau data from Emsi and job posting data from Burning Glass.

The report contains the following sections:

- Occupational demand,
- Wages and job postings,
- Educational attainment and supply, and
- Findings and recommendations.

# OCCUPATIONAL DEMAND

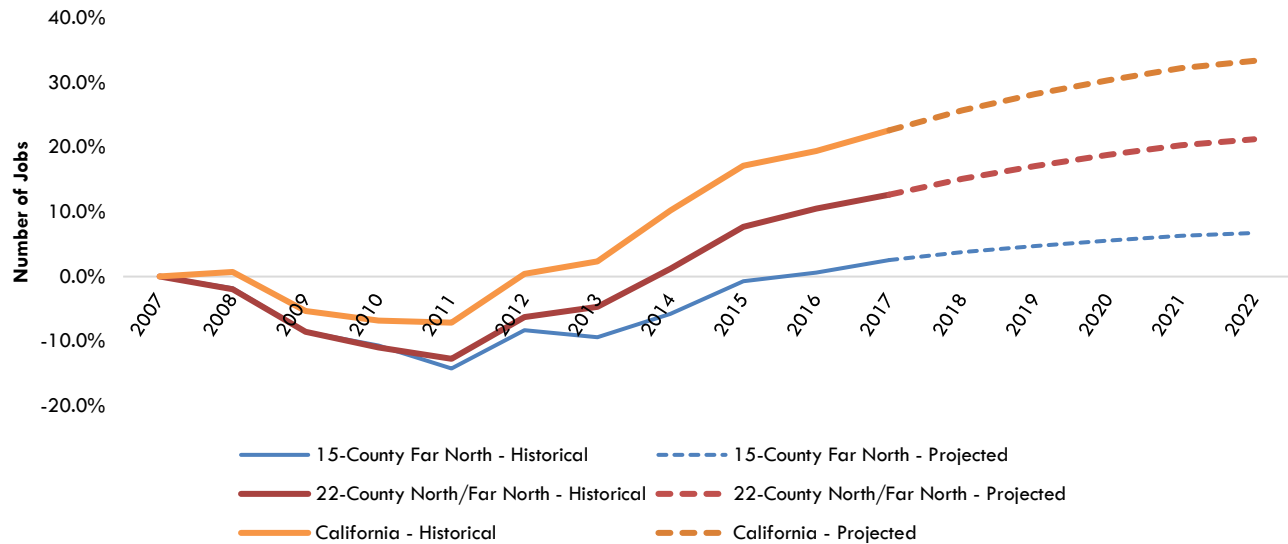
Three Standard Occupational Classification (SOC) codes were analyzed in relation to the proposed program. Exhibit 1 summarizes job trends per the SOC codes in the 15-county Far North region, the 22-county North/Far North region and California.

**Exhibit 1: Employment, projected occupational demand<sup>1</sup>**

Occupation	SOC	2007 Jobs	2017 Jobs	2022 Jobs	2017-22 Jobs % Change	Annual Openings
Lodging Managers	11-9081	114	112	112	0.0%	14
Chefs and Head Cooks	35-1011	278	316	332	4.9%	44
Food Service Managers	11-9051	641	631	659	4.4%	74
<b>15-County Far North Region</b>	<b>TOTAL</b>	<b>1,033</b>	<b>1,059</b>	<b>1,102</b>	<b>4.1%</b>	<b>132</b>
Lodging Managers	11-9081	320	339	350	3.3%	42
Chefs and Head Cooks	35-1011	1,280	1,630	1,757	7.8%	228
Food Service Managers	11-9051	2,273	2,394	2,587	8.1%	284
<b>22-County North/Far North Region</b>	<b>TOTAL</b>	<b>3,873</b>	<b>4,363</b>	<b>4,694</b>	<b>7.6%</b>	<b>553</b>
Lodging Managers	11-9081	4,304	4,742	5,000	5.5%	562
Chefs and Head Cooks	35-1011	14,051	18,815	20,508	9.0%	2,636
Food Service Managers	11-9051	30,281	36,073	39,340	9.1%	4,315
<b>California</b>	<b>TOTAL</b>	<b>48,636</b>	<b>59,630</b>	<b>64,848</b>	<b>8.8%</b>	<b>7,513</b>

Exhibit 2 shows the percentage change in number of jobs between 2007 through 2017 and occupational projections from 2017 through 2022. The rate of change is indexed to the total number of jobs in 2007 as the base year and compares 15-county Far North region, 22-county North/Far North region and California.

**Exhibit 2: Rate of change for selected occupations<sup>2</sup>**



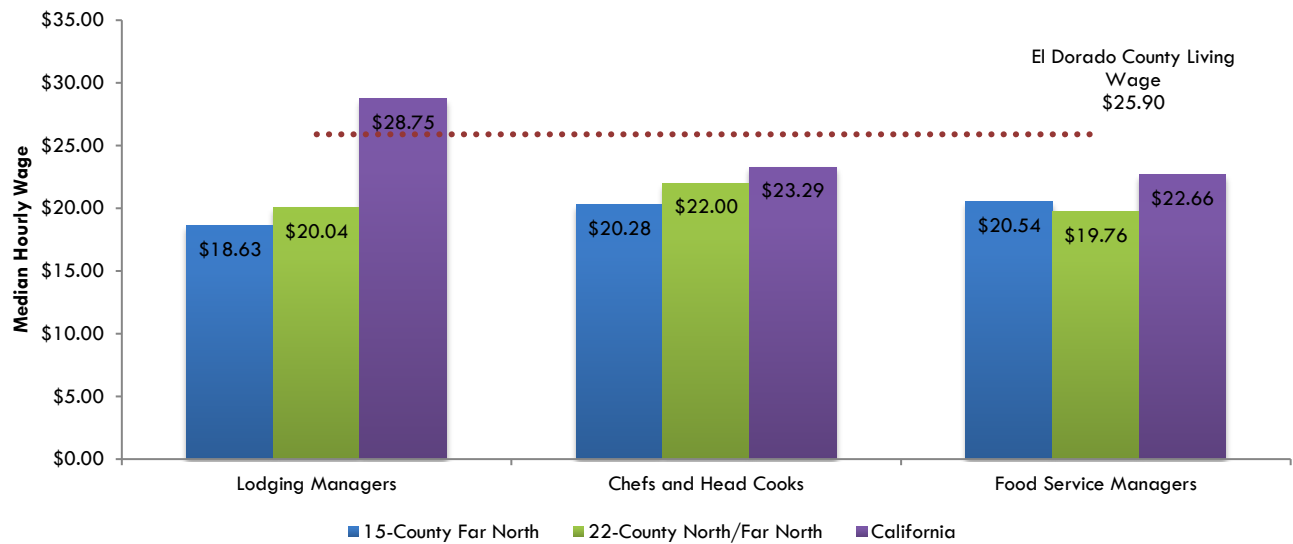
# WAGES AND JOB POSTINGS

Exhibit 3 displays hourly wages for selected occupations in the study regions compared to the Sacramento County living wage for a one-adult, one-child household.<sup>3</sup> The chart highlights the difference between the median wages of the representative occupations.

<sup>1</sup> Emsi 2018.3; QCEW Employees, Non-QCEW Employees and Self-Employed. The 15-county Far North region includes Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Plumas, Shasta, Sierra, Siskiyou, Tehama and Trinity. The 22-county North/Far North region includes the aforementioned counties as well as El Dorado, Placer, Nevada, Sacramento, Sutter, Yolo and Yuba.

<sup>2</sup> Ibid.

**Exhibit 3: Wages for selected occupations<sup>4</sup>**



Burning Glass data for job postings identified a pool of 1,625 listings in the North/Far North region on the representative SOC codes. There were a large number of low-end restaurant job postings in the data that are not reflective of the middle skill positions for which graduates of this program would be qualified. As such, all job postings as entry-level at fast food establishments were eliminated from the search. Data was pulled for the last year from September 1, 2017 through August 31, 2018.

Exhibit 4 presents the job postings trend for the SOC codes over the past 10 years compared to the median during the same period for the study regions.

**Exhibit 4: Job posting trend for selected occupations<sup>5</sup>**

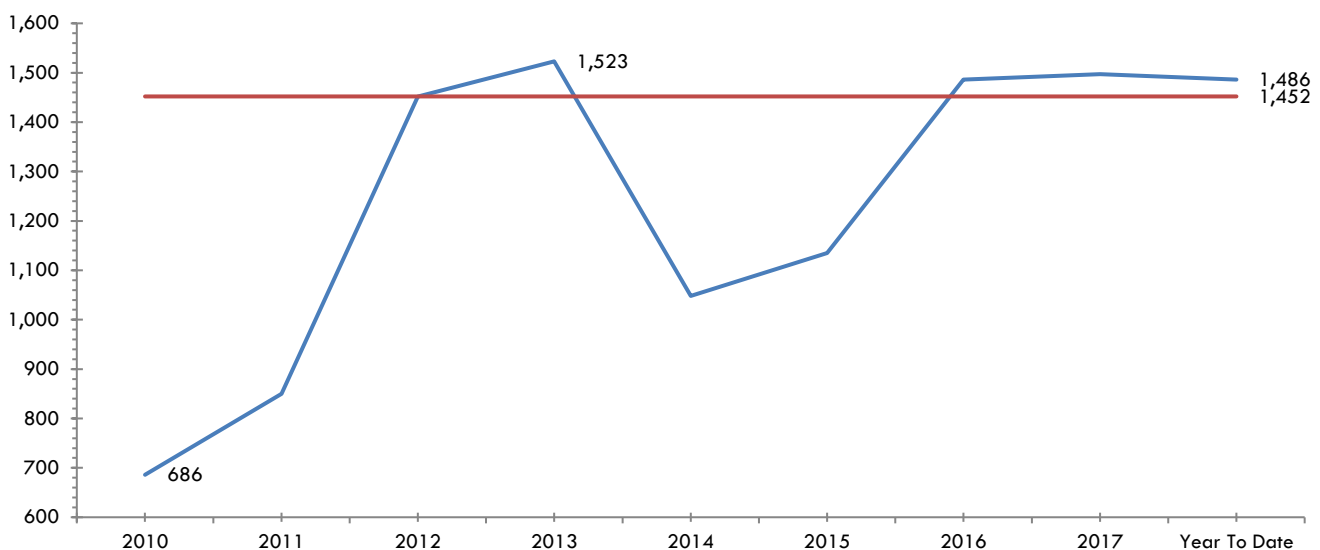


Exhibit 5 shows the top titles for positions within the selected occupations that were present in the job postings.

<sup>3</sup> Living Wage Calculator: Counties and Metropolitan Statistical Areas in California, <http://livingwage.mit.edu/states/06/locations>.

<sup>4</sup> Emsi 2018.3; QCEW Employees, Non-QCEW Employees and Self-Employed.

<sup>5</sup> Burning Glass Technologies, "Labor Insight Real-Time Labor Market Information Tool," 2018.

**Exhibit 5: Top titles for selected occupations<sup>6</sup>**

Top Titles	North/Far North	
	Number	Percent (n=1,625)
Assistant Manager	238	14.6%
Restaurant Manager	182	11.2%
General Manager	119	7.3%
Executive Chef	115	7.1%
Sous Chef	106	6.5%
Chef	102	6.3%
Assistant Restaurant Manager	72	4.4%
Manager	56	3.4%

Exhibit 6 shows the top employers for selected occupation jobs postings in the study regions. There were only 1,397 postings with employer information, therefore the results below may not be indicative of the entire sample.

**Exhibit 6: Top Employers among selected occupations<sup>7</sup>**

Top Employers	North/Far North	
	Number	Percent (n=1,397)
Pared	72	5.2%
Marriott International Incorporated	56	4.0%
Sodexo	35	2.5%
Interstate Hotels & Resorts	31	2.2%
Vail Resorts Management Company	31	2.2%
Destination Hotels & Resorts	25	1.8%
Restaurant Depot	25	1.8%
Cache Creek Casino Resort	23	1.6%

Exhibit 7 shows the top skills desired within selected occupation positions in the study regions. There were only 1,276 postings with skill information, therefore the results below may not be indicative of the entire sample.

**Exhibit 7: Top skills among selected occupations<sup>8</sup>**

Top Skills	North/Far North	
	Number	Percent (n=1,276)
Budgeting	510	40.0%
Restaurant Management	482	37.8%
Scheduling	476	37.3%
Cooking	457	35.8%
Cost Control	346	27.1%
Guest Services	323	25.3%
Supervisory Skills	270	21.2%
Staff Management	255	20.0%

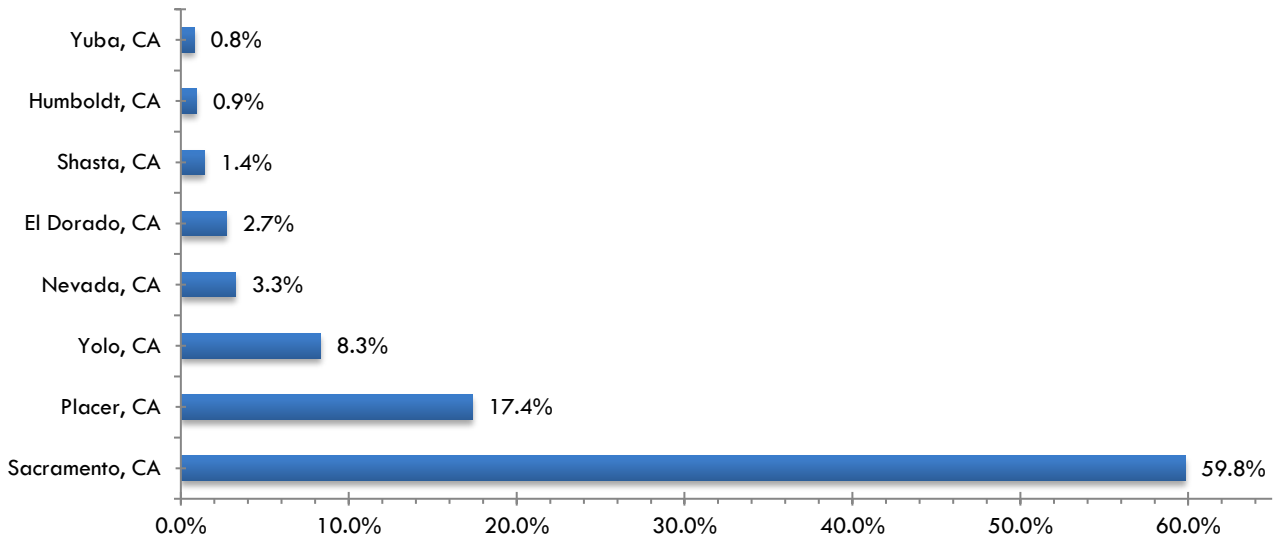
Exhibit 8 shows the counties where selected occupations postings were located.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

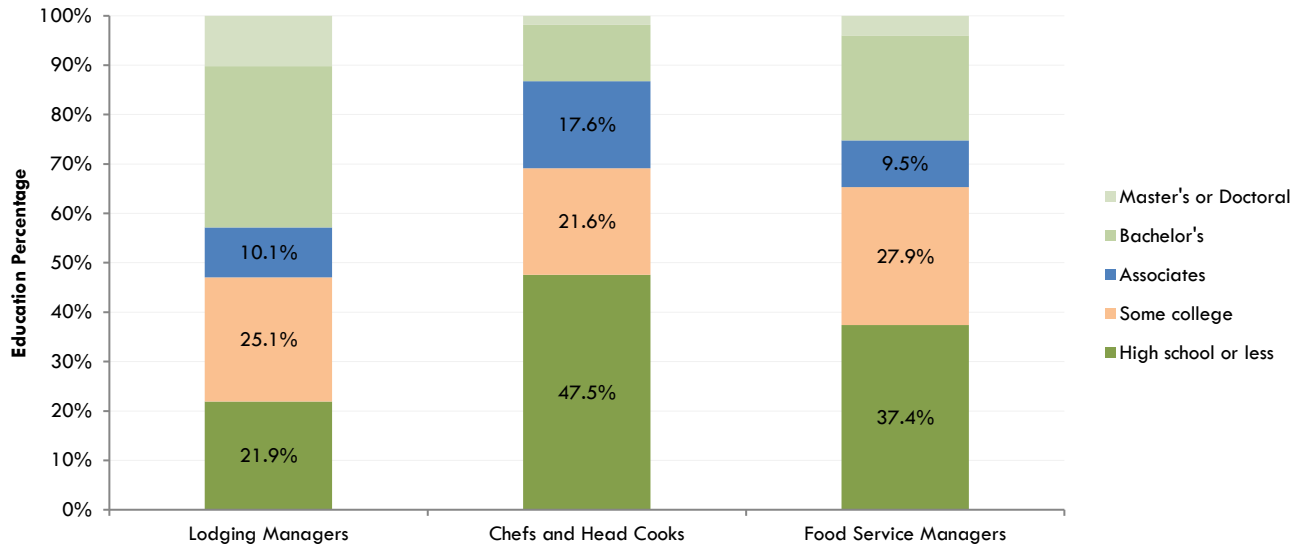
**Exhibit 8: Top locations listed for selected occupations<sup>9</sup>**



**EDUCATIONAL ATTAINMENT AND SUPPLY**

At the national level, the typical education required for the selected occupations is a high school diploma or some college. Chefs and head cooks generally required more advance education. Exhibit 9 breaks down the educational attainment percentages by occupation type.

**Exhibit 9: Typical educational attainment for selected occupations nationally<sup>10</sup>**



There are two Taxonomy of Programs (TOP) codes identified that relate to Hospitality Management: Hospitality (1307.00) and Restaurant and Food Services and Management (1307.10).

There are six schools in the North/Far North region that offer related training, the most active of which are American River, Cosumnes River and Shasta colleges.

<sup>9</sup> Ibid.

<sup>10</sup> Current Population Survey, Educational Attainment for Workers 25 Years and Older by Detailed Occupation, 2014-2015, [https://www.bls.gov/emp/ep\\_table\\_111.htm](https://www.bls.gov/emp/ep_table_111.htm).

The chart below displays total awards conferred during the 2015-2018 academic years. Nearly all awards are for Restaurant and Food Services Management. Redwoods and Shasta were the two schools with Hospitality programs, of which they confer an average of two and six awards annually.

Exhibit 10 shows the total number of awards by colleges during the past three academic years.

**Exhibit 10: Total awards conferred by North/Far North community colleges, 2014-2017<sup>11</sup>**

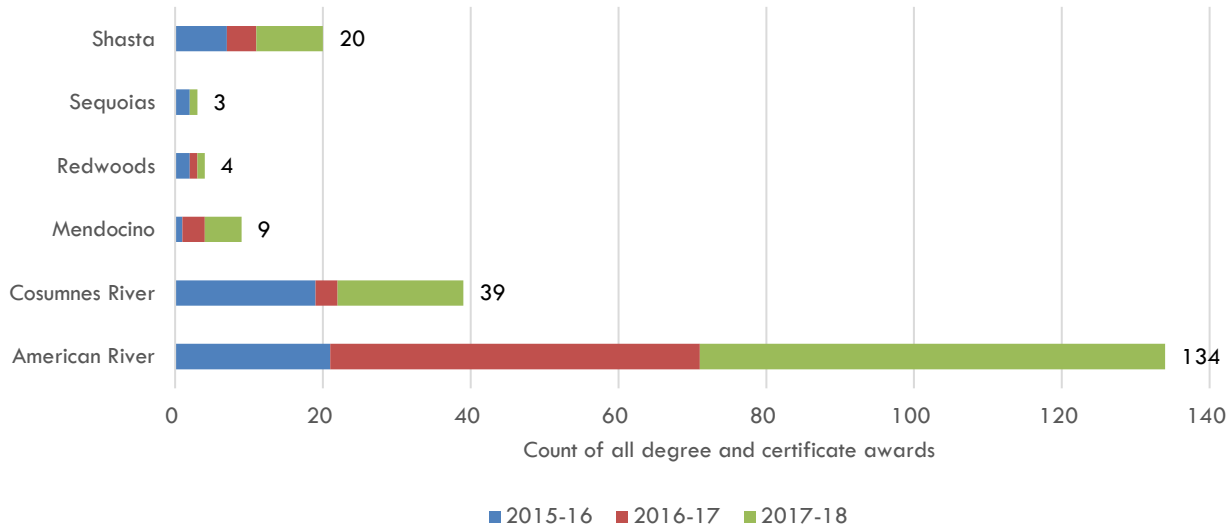


Exhibit 11 shows the break down between certificates and associate degrees for the past three academic years.

**Exhibit 10: Certificates and associate degrees conferred by North/Far North community colleges, 2014-2017<sup>12</sup>**

	Certificate				Associate			
	2015-16	2016-17	2017-18	Average	2015-16	2016-17	2017-18	Average
American River	9	26	28	21	12	24	35	24
Cosumnes River	12	1	17	10	7	2	0	3
Mendocino	1	3	5	3	0	0	0	0
Redwoods	1	1	0	1	1	0	1	1
Sequoias	2	0	1	1	0	0	0	0
Shasta	1	0	0	0	6	4	9	6
<b>Total</b>	<b>26</b>	<b>31</b>	<b>51</b>	<b>36</b>	<b>26</b>	<b>30</b>	<b>45</b>	<b>34</b>

<sup>11</sup> COE Supply Tables, California Community Colleges Chancellor's Office DataMart, Integrated Postsecondary Education Data System (IPEDS).

<sup>12</sup> Ibid.

## FINDINGS

- The 22-county NFN region has 550 projected annual openings for food service and lodging managers; most of these are in the Greater Sacramento region (North region). These occupations have displayed strong historical growth. In the NFN region, occupational employment has grown by 13 percent. Over the next five years, the occupational employment is projected to grow another 8 percent.
- The NFN region has posted 1,500 postings annually for related positions in recent years.
- Wages are healthy, if below the living wage for one-adult one-child household (\$25.90), according to the MIT Living Wage Calculator for El Dorado County. The median hourly wages range from \$20 per hour to \$22 per hour for the occupations studied in the NFN region. California, by contrast, shows higher wages--\$1 per hour more up to \$9 per hour more.
- The occupations studied are solidly middle skill. A majority of the current workforce has some college or an associate degree. About 40 percent of lodging managers have a bachelor's degree or above.
- The region produces few hospitality and food service-related awards—just 70 on average annually. The community colleges--College of the Redwoods and Shasta College show awards in the same TOP code as the one proposed by LTCC. These programs show an annual average of just 7 completions.
- Sacramento State University has reported the launching of a hospitality management program in the near future.

## RECOMMENDATIONS

- With the arrival of the Deputy Sector Navigator for Hospitality and Tourism, and the addition of the present, proposed programs, Lake Tahoe Community College stands to become a regional leader for hospitality workforce education and training.
- The labor market analysis shows a clear supply-demand gap. The community colleges in the NFN region are not heavily invested in hospitality. It would appear there is a clear and present need to invest in these areas.
- Wages pose a concern, although they are comparably only slightly below living wage levels compared to other program proposals. Wages for these occupations are higher elsewhere in the state. LTCC should seek multi-state partnerships that will offer students employment opportunities in the highest-paying markets beyond the NFN.
- Transfer pathways—associate degree for transfer—are recommended for lodging managers. LTCC should partner with Sacramento State University on an associate degree for transfer.

<b>COE Recommendation</b>		
Move forward with program	Program is not recommended	Additional information needed
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**SUMMARY RECOMMENDATION (FOR RC APPLICATION)**

- The labor market analysis shows a clear supply-demand gap. It would appear there is a clear and present need to invest in these areas.
- Wages pose a concern. LTCC should seek multi-state partnerships that will offer students employment opportunities in the highest-paying markets beyond the NFN.
- Transfer pathways—associate degree for transfer—are recommended for lodging managers.

<b>COE Recommendation</b>		
Move forward with program	Program is not recommended	Additional information needed
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# APPENDIX A: DATA SOURCES

Sources used for data analysis purposes in this report include:

- U.S. Department of Labor/Employment and Training Administration (DOLETA) O\*NET Online
- Burning Glass, Labor Insight/Jobs
- Economic Modeling Specialists, International (EMSI)
- California Employment Development Department, Labor Market Information Division (EDD, LMID)
- Bureau of Labor Statistics, Occupational Employment Statistics (OES)
- California Community Colleges Chancellor's Office, Cal-PASS Plus LaunchBoard
- Living Insight Center for Community Economic Development, Self-Sufficiency Standard Tool for California
- California Community Colleges Chancellor's Office Management Information Systems (MIS Data Mart)
- U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS)

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