

DECEMBER 2018

# LABOR MARKET ANALYSIS

## Hospitality



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# SUMMARY

This study conducted by the Central Valley/Mother Lode Center of Excellence examines labor market demand, wages, skills and community college supply for occupations related to hospitality for Columbia College. Eight occupations were identified:

- Food Service Managers (SOC 11-9051);
- Chefs and Head Cooks (SOC 35-1011);
- First-Line Supervisors of Food Preparation and Serving Workers (SOC 35-1012);
- Cooks, Institution and Cafeteria (SOC 35-2012);
- Cooks, Private Household (SOC 35-2013);
- Cooks, Restaurant (SOC 35-2014);
- Cooks, All Other (SOC 35-2019); and
- Food Preparation Workers (SOC 35-2021).

## KEY FINDINGS:

- **Occupational demand** — More than 13,161 workers were employed in jobs related to hospitality in 2017. The largest occupation is restaurant cooks with 3,406 workers in 2017, a projected growth rate of 8% over the next five years and 544 annual openings.
- **Wages** — The entry-level wages for all eight occupations exceed the average self-sufficiency wage for a single adult in the subregion, \$10.29/hour. However, one occupation falls below the average living wage for a single adult in the subregion, \$11.02/hour: food preparation workers.
- **Employers** — Top employers in the region include Round Table Pizza, Pilot Flying J and Pacific Bells, Inc.
- **Job titles** — The most common occupational title in job postings is food service manager. The most common job title is cook.
- **Skills and certifications** — The top baseline skill is communication, the top specialized skill is restaurant management, and the top software skill is Microsoft Excel. The most in-demand certification is a driver's license.
- **Education** — The typical education required for seven of the eight occupations is a high school diploma or no formal education credential. The exception is private household cooks which typically must complete a postsecondary nondegree award.
- **Supply** — Analysis of community college completions in the region shows that on average 58 awards (certificates and degrees) 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 2,101 trained workers in the subregion and 5,443 trained workers in the region. The Center of Excellence recommends that Columbia College work with the region's retail, hospitality, tourism and entertainment deputy sector navigator, the college's advisory board and local industry in the expansion of its hospitality program.

# INTRODUCTION

The Central Valley/Mother Lode Center of Excellence was asked by Columbia College to provide labor market information for hospitality supervision COA 130710. Review of the Taxonomy of Programs manual revealed 130710-Restaurant and Food Services Management as the full program code-title for this analysis. The geographical focus for this report is the North Central Valley/Northern Mother Lode (NCV/NML) subregion, but regional demand and supply data has been included for broader applicability and use.

Analysis of the program and occupational data related to hospitality resulted in the identification of eight applicable occupations. The Standard Occupational Classification (SOC) System titles and codes are:

- Food Service Managers (SOC 11-9051);
- Chefs and Head Cooks (SOC 35-1011);
- First-Line Supervisors of Food Preparation and Serving Workers (SOC 35-1012);
- Cooks, Institution and Cafeteria (SOC 35-2012);
- Cooks, Private Household (SOC 35-2013);
- Cooks, Restaurant (SOC 35-2014);
- Cooks, All Other (SOC 35-2019); and
- Food Preparation Workers (SOC 35-2021).

The SOC codes, occupational titles, job descriptions, sample job titles, and knowledge and skills from the Bureau of Labor Statistics and O\*NET OnLine are shown in Exhibit 1. O\*NET data was not available for Cooks, All Other (SOC 35-2019).

**EXHIBIT 1. Hospitality SOC titles, job descriptions, sample job titles, and knowledge and skills**

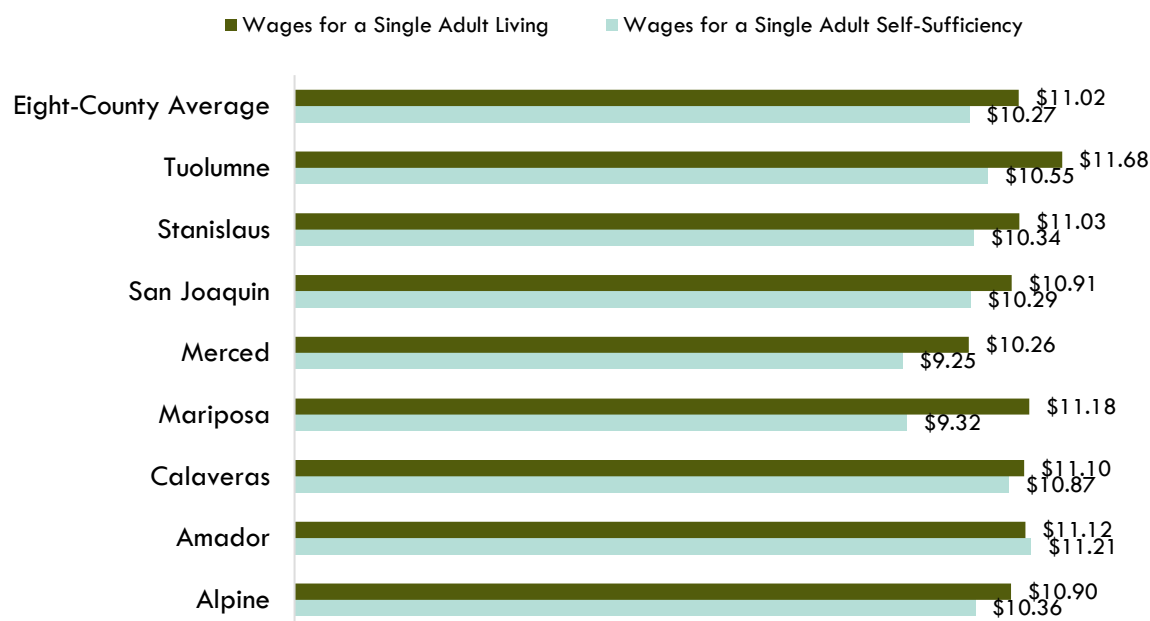
SOC TITLE & CODE	DESCRIPTION	SAMPLE JOB TITLES	KNOWLEDGE & SKILLS
<b>Food Service Managers (SOC 11-9051)</b>	Plan, direct, or coordinate activities of an organization or department that serves food and beverages.	Banquet Manager, Catering Manager, Food and Beverage Director, Food and Beverage Manager, Food Service Director, Food Service Manager, Food Service Supervisor, Kitchen Manager, Restaurant General Manager, Restaurant Manager	<b>Knowledge</b> Administration and Management Customer and Personal Service Personnel and Human Resources English Language Education and Training <b>Skills</b> Active Listening Service Orientation Management of Personnel Resources Monitoring Speaking
<b>Chefs and Head Cooks (SOC 35-1011)</b>	Direct and may participate in the preparation, seasoning, and cooking of salads, soups, fish, meats, vegetables, desserts, or other foods. May plan and price menu items, order	Banquet Chef; Certified Executive Chef (CEC); Chef; Chef, Instructor; Cook; Corporate Executive Chef; Executive Chef (Ex Chef); Executive Sous	<b>Knowledge</b> Food Production Customer and Personal Service Production and Processing

SOC TITLE & CODE	DESCRIPTION	SAMPLE JOB TITLES	KNOWLEDGE & SKILLS
	supplies, and keep records and accounts.	Chef; Head Cook; Line Cook	Administration and Management Education and Training <b>Skills</b> Monitoring Management of Personnel Resources Speaking Coordination Social Perceptiveness
<b>First-Line Supervisors of Food Preparation and Serving Workers (SOC 35-1012)</b>	Directly supervise and coordinate activities of workers engaged in preparing and serving food.	Cafeteria Manager, Dietary Supervisor, Food and Nutrition Services Supervisor, Food Production Supervisor, Food Service Director, Food Service Manager, Food Service Supervisor, Kitchen Manager, Kitchen Supervisor, Restaurant Manager	<b>Knowledge</b> Customer and Personal Service Administration and Management Food Production Production and Processing English Language <b>Skills</b> Active Listening Monitoring Service Orientation Speaking Coordination
<b>Cooks, Institution and Cafeteria (SOC 35-2012)</b>	Prepare and cook large quantities of food for institutions, such as schools, hospitals, or cafeterias.	Cook, Cook (Dinner), Cook (Elementary School), Dietary Cook, Dinner Cook, First Cook, Food and Nutrition Services Assistant, Food Service Specialist, Lead Cook, School Cook	<b>Knowledge</b>  Customer and Personal Service  <b>Skills</b> Operation Monitoring Monitoring Judgement and Decision Making Quality Control Analysis Time Management
<b>Cooks, Private Household (SOC 35-2013)</b>	Prepare meals in private homes. Includes personal chefs.	Certified Personal Chef (CPC), Personal Chef, Private Chef	<b>Knowledge</b> Customer and Personal Service Food Production Sales and Marketing Administration and Management

SOC TITLE & CODE	DESCRIPTION	SAMPLE JOB TITLES	KNOWLEDGE & SKILLS
			English Language <b>Skills</b> Service Orientation Critical Thinking Management of Material Resources Active Listening Active Learning
<b>Cooks, Restaurant (SOC 35-2014)</b>	Prepare, season, and cook dishes such as soups, meats, vegetables, or desserts in restaurants. May order supplies, keep records and accounts, price items on menu, or plan menu.	Appetizer Preparer, Back Line Cook, Banquet Cook, Breakfast Cook, Broil Cook, Cook, Fry Cook, Grill Cook, Line Cook, Prep Cook (Preparation Cook)	<b>Knowledge</b> Food Production Customer and Personal Service English Language Production and Processing  <b>Skills</b> Monitoring Active Listening Coordination Critical Thinking Speaking
<b>Food Preparation Workers (SOC 35-2021)</b>	Perform a variety of food preparation duties other than cooking, such as preparing cold foods and shellfish, slicing meat, and brewing coffee or tea.	Deli Clerk (Delicatessen Clerk), Diet Aide, Dietary Aide, Dietary Assistant, Food Preparer, Food Service Aide, Food Service Worker, Nutrition Aide, Pantry Cook, Slicer	<b>Knowledge</b> Customer and Personal Service Administration and Management Public Safety and Security  <b>Skills</b> Active Listening Coordination Service Orientation Social Perceptiveness Speaking

The 2014 average self-sufficiency wage for a single adult in the North Central Valley/Northern Mother Lode (NCV/NML) subregion is \$10.27/hour, and the current average living wage for a single adult is \$11.02/hour. Self-sufficiency and living wage data by county and the overall eight-county average are shown in Exhibit 2. In the wages sections of this report, Pct. 25 hourly denotes entry-level wages, and median represents experienced wages.

## EXHIBIT 2. Self-sufficiency and living wages in the NCV/NML subregion



# OCCUPATIONAL DEMAND

The subregion employed 13,161 workers in the targeted eight occupations in 2017 in the North Central Valley/Northern Mother Lode subregion (Exhibit 3). The largest occupation is restaurant cooks with 3,406 workers in 2017. This occupation is projected to grow by 8% over the next five years and has the second highest number of projected annual openings, 544. The occupation with the most annual openings is food preparation workers, 587 openings. This occupation is projected to expand by 7% through 2022.

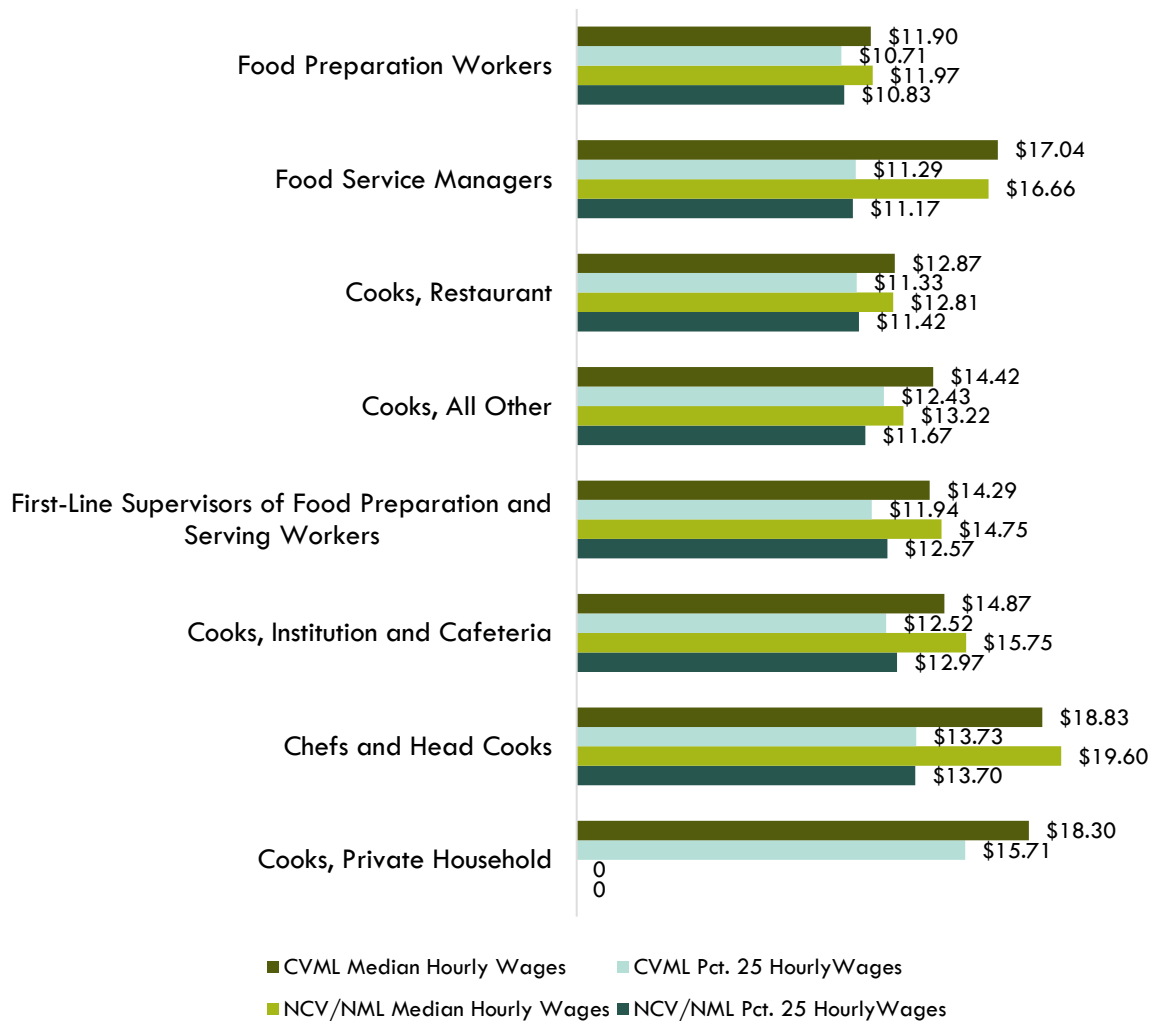
## EXHIBIT 3. Hospitality employment and occupational projections in the NCV/NML subregion

OCCUPATION	2017 JOBS	5-YEAR CHANGE	5-YEAR % CHANGE	ANNUAL OPENINGS
Food Preparation Workers	3,170	216	7%	587
Cooks, Restaurant	3,406	275	8%	544
First-Line Supervisors of Food Preparation and Serving Workers	3,045	317	10%	508
Cooks, Institution and Cafeteria	1,291	91	7%	204
Food Service Managers	1,692	77	5%	198
Chefs and Head Cooks	509	35	7%	72
Cooks, All Other	43	5	12%	7
Cooks, Private Household	<10	Insf. Data	Insf. Data	Insf. Data
<b>TOTAL</b>	<b>13,161</b>	<b>1,017</b>	<b>8%</b>	<b>2,119</b>

# WAGES

Exhibit 4 compares the entry-level and experienced wages of the eight hospitality occupations. The entry-level wages for all eight occupations exceed the average self-sufficiency wage for a single adult in the subregion, \$10.29/hour. However, one occupation falls below the average living wage for a single adult in the subregion, \$11.02/hour: food preparation workers. The occupation earning the highest median wages is chefs and head cooks, \$18.83/hour in the region and \$19.60/hour in the subregion. The second top earning occupation is institution and cafeteria cooks, with a median wage of \$14.87/hour in the region and \$15.75/hour in the subregion.

**EXHIBIT 4. Hospitality entry-level and experienced wage comparison in the subregion and region**





# JOB POSTINGS

There were 1,985 job postings for the eight occupations in the North Central Valley/Northern Mother Lode subregion from December 2017 through November 2018. The top employers advertising these job postings are listed in Exhibit 5.

**EXHIBIT 5. Top employers of hospitality occupations by number of job postings**

EMPLOYER	JOB POSTINGS
Round Table Pizza	108
Pilot Flying J	59
Pacific Bells, Inc	54
Pizza Hut	49
Bjs Restaurants Incorporated	46
Panda Express	42
Chipotle Mexican Grill	40
McDonald's	40
Starbucks Coffee Company	38
Domino's Pizza	36

Exhibit 6 shows how job postings for the eight targeted hospitality occupations in the subregion are distributed across several O\*NET OnLine occupations. The majority of job postings, 832 in total, use the occupational title food service managers, followed by first-line supervisors of food preparation and serving workers, 547 job postings.

**EXHIBIT 6. Hospitality occupational titles in job postings**

OCCUPATIONAL TITLE & CODE	JOB POSTINGS
Food Service Managers (11-9051.00)	832
First-Line Supervisors of Food Preparation and Serving Workers (35-1012.00)	547
Cooks, Restaurant (35-2014.00)	546
Chefs and Head Cooks (35-1011.00)	57
Cooks, Institution and Cafeteria (35-2012.00)	3

## JOB TITLES

Analysis of the 1,985 advertised job titles for the targeted occupations reveals the top title is cook, occurring in 315 job postings, followed by restaurant manager, 205 job postings (Exhibit 7).

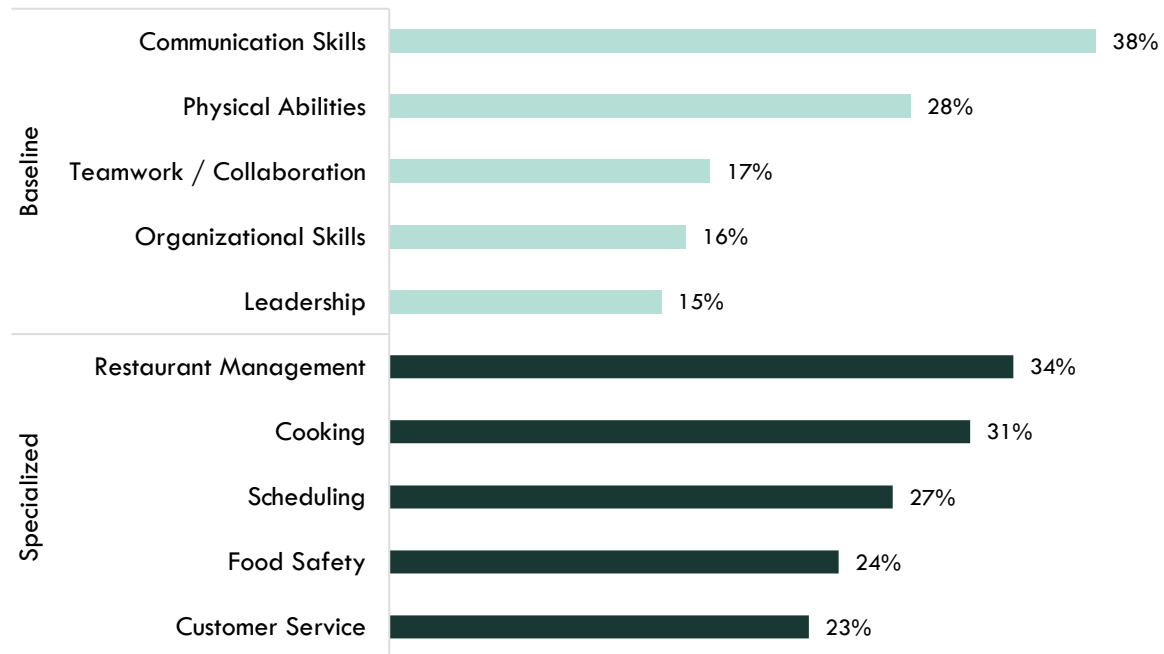
**EXHIBIT 7. Top hospitality job titles by number of job postings**

JOB TITLE	JOB POSTINGS
Cook	315
Restaurant Manager	205
Assistant Manager	180
Line Cook	121
General Manager	117
Prep Cook	66
Shift Lead	58
Shift Manager	49
Shift Leader	46
Assistant Restaurant Manager	44

## SKILLS

Exhibit 8 depicts the top baseline and specialized skills for the eight targeted occupations. The three most important baseline skills are communication skills, 38% of job postings, physical abilities, 28%, and teamwork/collaboration, 17%. The top three specialized skills are restaurant management, 34% of job postings, cooking, 31%, and scheduling, 27%.

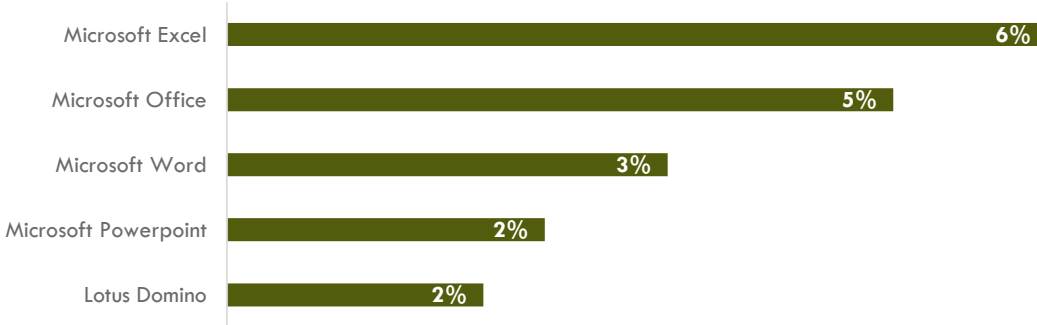
**EXHIBIT 8. Hospitality in-demand baseline and specialized skills**



## SOFTWARE SKILLS

Analysis also included the software skills most in demand by employers. Microsoft Excel and Microsoft Office rank first and second (Exhibit 9).

**EXHIBIT 9. Hospitality in-demand software skills**



## SKILL CLUSTER PROJECTIONS

About 50% of the 1,985 job postings contain skill projections. An evaluation of the top skill clusters that will have the greatest gains in level of importance shows that the top areas are personal care and services: food and beverage service (103%); customer and client support: basic customer service (67%); and business: business management (47%) (Exhibit 10). (Note: 50% of records have been excluded because they do not include a skill cluster. As a result, the chart below may not be representative of the full sample.)

**EXHIBIT 10. Skill cluster projections for hospitality occupations**



## CERTIFICATIONS

Of the postings with certification data, 221 indicated a need for a driver's license. The next two top certifications are ServSafe and Food Handler Certification (Exhibit 11). (Note: 77% of records have been excluded because they do not include a certification. As a result, the chart below may not be representative of the full sample.)

**EXHIBIT 11. Hospitality certifications requested in job postings**



# EDUCATION, WORK EXPERIENCE AND TRAINING

The typical entry-level education for most of the eight occupations related to hospitality is high school diploma or no formal education credential. Private household cooks typically must complete a postsecondary nondegree award (Exhibit 12).

These occupations qualify as relevant to community colleges due to one or more of the following requirements:

- State of California certification requirements,
- Specialized industry knowledge, and
- Performance of duties that are taught through programs offered by local community colleges.

**EXHIBIT 12. Education, work experience, training and Current Population Survey results for hospitality occupations<sup>1</sup>**

OCCUPATION	TYPICAL ENTRY-LEVEL EDUCATION	WORK EXPERIENCE REQUIRED	TYPICAL ON-THE-JOB TRAINING	CPS
Food Service Managers	HS Diploma	Less than 5 years	None	37.1%
Chefs and Head Cooks	HS Diploma	5 years or more	None	40.2%
First-Line Supervisors of Food Preparation and Serving Workers	HS Diploma	Less than 5 years	None	39.0%
Cooks, Institution and Cafeteria	No formal educational credential	None	Short-term	24.3%
Cooks, Private Household	Postsecondary nondegree award	Less than 5 years	None	24.3%
Cooks, Restaurant	No formal educational credential	Less than 5 years	Moderate-term	24.3%
Cooks, All Other	No formal educational credential	None	Moderate-term	24.3%
Food Preparation Workers	No formal educational credential	None	Short-term	24.3%

<sup>1</sup> "Labor Force Statistics from the Current Population Survey," Bureau of Labor Statistics, <https://www.bls.gov/cps/>.

# SUPPLY

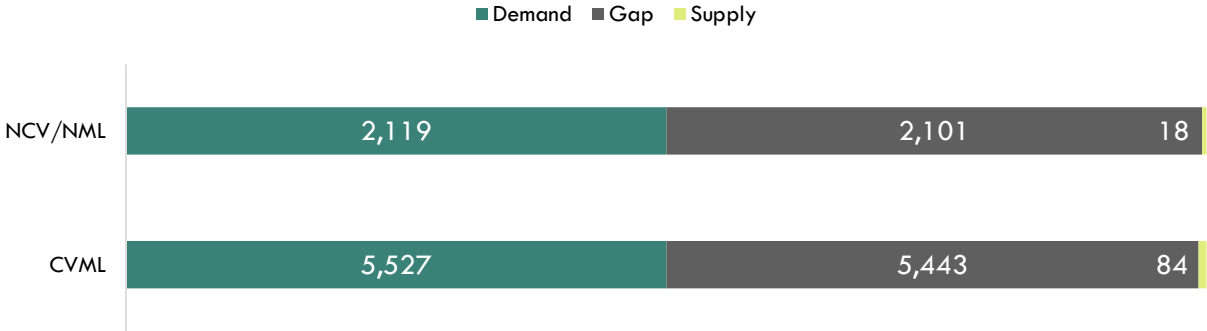
Analysis of California Community Colleges Chancellor’s Office Curriculum Inventory (COCI) program data shows there are five community colleges in the region offering programs contributing to workforce supply for the identified occupations in the TOP code 130710-Restaurant and Food Services Management. Analysis of the last three years of TOP code data, from 2014 through 2017, shows that, on average, 58 awards were conferred in the Central Valley/Mother Lode region each year (Exhibit 13).

**EXHIBIT 13. Community college supply for hospitality occupations in the subregion and region**

TOP CODE-TITLE	COLLEGE	2014-2017 AWARDS			LATEST 3 YR AVG
		2014-15	2015-16	2016-17	
<b>130710 - RESTAURANT AND FOOD SERVICES MANAGEMENT</b>	Bakersfield	4	2	3	3
	Columbia	10	32	13	18
	Fresno City	2	1	-	1
	Sequoias	2	2	-	1
	West Hills Lemoore	53	86	42	60
<b>TOTAL</b>		<b>17</b>	<b>71</b>	<b>123</b>	<b>58</b>

A substantial undersupply of hospitality workers appears to exist in the region and subregion. In the subregion, there is a shortage of 2,101 trained workers. In the region, the shortage is 5,443 trained workers (Exhibit 14).

**EXHIBIT 14. Hospitality workforce annual demand and supply in the subregion and region**



# STUDENT OUTCOMES

Exhibit 15 summarizes employment and wage outcomes from the California Community College Chancellor’s Cal-PASS Plus LaunchBoard for the 130710-Restaurant administration and management students were employed in the second fiscal quarter after exiting the program and 116% reported a median change in earnings.

**Exhibit 15: Regional metrics for the TOP codes related to hospitality**

METRIC	130710 - RESTAURANT AND FOOD SERVICES MANAGEMENT
Number of Students Who Got a Degree or a Certificate	42
Number of Students Who Transferred	14
Employed in Second Fiscal Quarter	57%
Median Change in Earnings	116% (n=23)
Attained a Living Wage	22% (n=58)

# CONCLUSION

The entry-level wages for all eight occupations exceed the average self-sufficiency wage for a single adult in the subregion, \$10.29/hour. Seven of the eight occupations exceed the average living wage for a single adult in the subregion, \$11.02/hour. The exception is food preparation workers. There were nearly 2,000 job postings in the past 12 months for occupations related to the eight occupations in the North Central Valley/Northern Mother Lode subregion.

Analysis of skills and certificate requirements in job postings indicates:

- The top baseline skill is communication, and the top specialized skill is restaurant management.
- The top software skill is Microsoft Excel.
- The top certification is a driver’s license.

There are five community colleges in the region offering programs contributing to workforce supply for occupations related to hospitality. However, there is an undersupply of trained workers, a shortage of 2,101 in the subregion and 5,443 in the region.

# RECOMMENDATION

Based on these findings, it is recommended that Columbia College work with the region’s retail, hospitality, tourism and entertainment deputy sector navigator, the college’s advisory board and local industry in the expansion of its hospitality program.





# 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: <a href="http://economicmodeling.com">economicmodeling.com</a> .
Living Wage	A living wage calculator that estimates the cost of living in a specific community or region: <a href="http://livingwage.mit.edu">livingwage.mit.edu</a> .
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: <a href="http://www.bls.gov/emp/ep_education_tech.htm">www.bls.gov/emp/ep_education_tech.htm</a> .
Labor Force, Employment and Unemployment Estimates	California Employment Development Department, Labor Market Information Division, <a href="http://labormarketinfo.edd.ca.gov">labormarketinfo.edd.ca.gov</a>
Job Posting and Skills Data	Burning Glass, <a href="http://www.burning-glass.com/">http://www.burning-glass.com/</a>
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: <a href="http://www.onetonline.org">www.onetonline.org</a>

## 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.

**Wages Family Compositions:** The living wage calculator estimates the living wage needed to support families. For single adult families, the adult is assumed to be employed full time. For two adult families where both adults are in the labor force, both adults are assumed to be employed full time. For two adult families where one adult is not in the labor force, one of the adults is assumed to be employed full time while the other non-wage-earning adult provides full-time child care for the family's children. Full-time work is assumed to be year-round, 40 hours per week for 52 weeks, per adult. Families with one child are assumed to have a 'young child' (4 years old). Families with two children are assumed to have a 'young child' and a 'child' (9 years old). Families with three children are assumed to have a 'young child,' a 'child,' and a 'teenager' (15 years old).