February 2021

Labor Market Analysis

Front-of-House Hospitality Workers

California Community Colleges

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CENTERS OF EXCELLENCE
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Prepared by the Central Valley/Mother Lode Center of Excellence

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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.

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Summary

This study conducted by the Central Valley/Mother Lode Center of Excellence examines labor market demand, wages, skills, and postsecondary supply for front-of-house hospitality workers. Four occupations related to front-of-house hospitality workers were identified for San Joaquin Delta College:

- 35-1012, First-Line Supervisors of Food Preparation and Serving Workers
- 11-9051, Food Service Managers
- 39-1098, First-Line Supervisors of Personal Service and Entertainment and Recreation Workers, Except Gambling Services
- 11-9081, Lodging Managers
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Key findings:

- **Occupational demand —** Nearly 6,000 workers were employed in jobs related to front-of-the-house hospitality workers in 2019 in the North Central Valley/Northern Mother Lode (NCV/NML) subregion. The largest occupation is first-line supervisors of food preparation and serving workers with 3,172 workers in 2019, a projected growth rate of 2% over the next five years, and 470 annual openings.

- **Wages —** Food service managers earn the highest entry-level wage, $15.41/hour in the subregion and $15.68/hour in the region.

- **Employers —** Employers with the most job postings in the subregion are Starbucks Coffee Company, Taco Bell, and Pizza Hut.

- **Occupational titles —** The most common occupational title in job postings in the subregion is first-line supervisors of food preparation and serving workers. The most common job title is assistant manager.

- **Skills and certifications —** The top baseline skill is communication, the top specialized skill is retail industry knowledge, and the top software skill is Microsoft Excel. The most in-demand certification is a driver's license.

- **Education —** A high school diploma or equivalent is the typical entry-level education required for three of the four occupations. A bachelor's degree is the typical entry-level education for lodging managers.

- **Supply —** Analysis of postsecondary completions in the region shows that on average 155 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 716 trained workers in the subregion and 1,836 workers in the region. The Center of Excellence recommends that San Joaquin Delta College 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 front-of-the-house hospitality workers in the region.

Introduction

The Central Valley/Mother Lode Center of Excellence was asked by San Joaquin Delta College to provide labor market information for front-of-house hospitality workers. 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. The average living wage for a single adult in the North Central Valley/Northern Mother Lode (NCV/NML) subregion is $10.27/hour.[1] Analysis of the program and occupational data related to front-of-the-house hospitality workers 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
- 39-1098, First-Line Supervisors of Personal Service and Entertainment and Recreation Workers, Except Gambling Services
- 11-9081, Lodging 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. O*NET data was not available for first-line supervisors of personal service and entertainment and recreation workers, except gambling services.

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, Food Production, Production and Processing, Administration and Management, English Language
Skills: Coordination, Monitoring, Speaking, Active Listening, Service Orientation

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

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 and Personnel Resources, Social Perceptiveness, Speaking

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[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://insightcced.org/tools-metrics/self-sufficiency-standard-tool-for-california/.

Occupational Demand

The North Central Valley/Northern Mother Lode subregion employed 5,950 workers as front-of-house hospitality workers in 2019 (Exhibit 1). The largest occupation is first-line supervisors of food preparation and serving workers with 3,172 workers in 2019. This occupation is projected to grow by 2% over the next five years and has the greatest number of projected annual openings, 470.
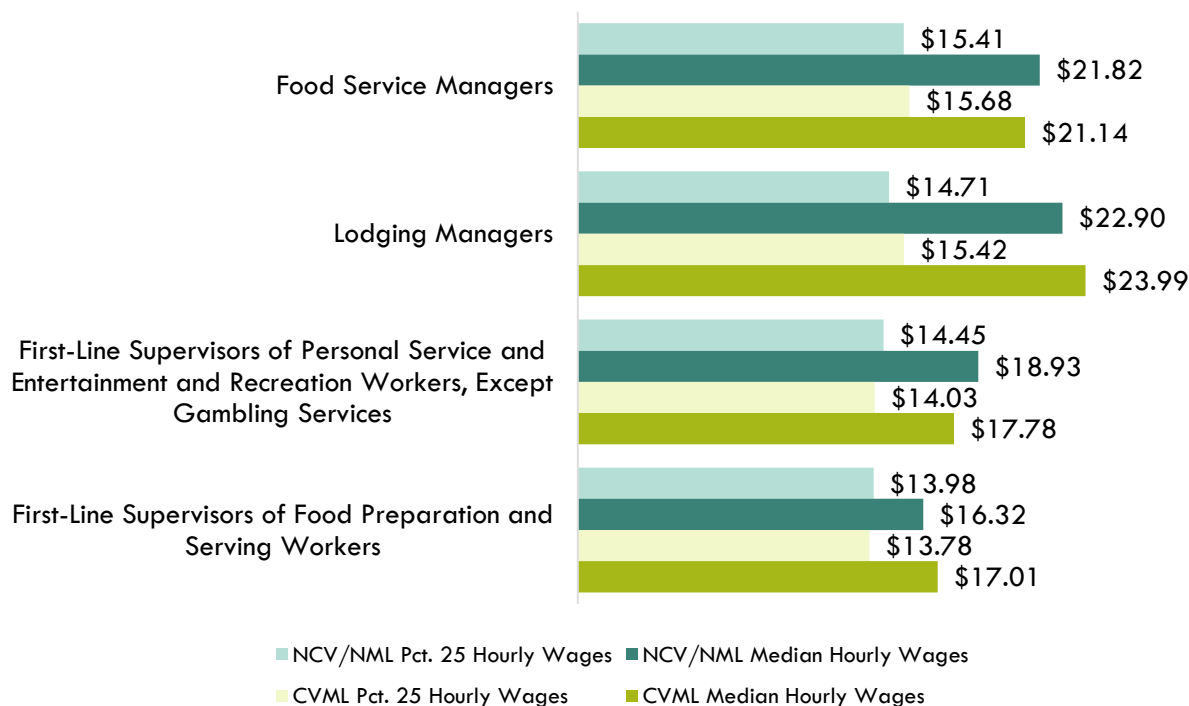
Exhibit 1. Front-of-house hospitality employment and occupational projections in the NCV/NML subregion

Occupation	2019 Jobs	2024 Jobs	5-Year Change	5-Year % Change	Annual Openings
First-Line Supervisors of Food Preparation and Serving Workers	3,172	3,244	72	2%	470
Food Service Managers	1,559	1,572	12	1%	167
First-Line Supervisors of Personal Service and Entertainment and Recreation Workers, Except Gambling Services	1,055	1,048	(7)	(1%)	100
Lodging Managers	164	151	(13)	(8%)	16
TOTAL	**5,950**	**6,014**	**64**	**1%**	**753**

Wages

Exhibit 2 compares the entry-level and experienced wages of front-of-house hospitality workers. Food service managers earn the highest entry-level wage, $15.41/hour in the subregion and $15.68/hour in the region.

Exhibit 2. Entry-level and experienced wage comparison in the NCV/NML subregion and region

Food Service Managers
- $15.41
- $21.82
- $15.68
- $21.14

Lodging Managers
- $14.71
- $22.90
- $15.42
- $23.99

First-Line Supervisors of Personal Service and Entertainment and Recreation Workers, Except Gambling Services
- $14.45
- $18.93
- $14.03
- $17.78

First-Line Supervisors of Food Preparation and Serving Workers
- $13.98
- $16.32
- $13.78
- $17.01

■ NCV/NML Pct. 25 Hourly Wages ■ NCV/NML Median Hourly Wages
■ CVML Pct. 25 Hourly Wages ■ CVML Median Hourly Wages

Job Postings

There were 1,097 job postings for the four occupations in the NCV/NML subregion from August 2020 to January 2021.[2] The employers with the most job postings are listed in Exhibit 3.

Exhibit 3. Top employers of front-of-house hospitality workers by number of job postings

Employer	Job Postings	% Job Postings
Starbucks Coffee Company	62	6%
Taco Bell	57	5%
Pizza Hut	46	4%
Amazon	35	3%
H&R Block	32	3%
Burger King	30	3%
Domino's Pizza	26	2%
Pilot Flying J	23	2%
Sonic Drive-In	23	2%
Jamba	22	2%

Exhibit 4 shows how job postings for the targeted occupations in the NCV/NML subregion are distributed across five O*NET OnLine occupations. The occupational title first-line supervisors of food preparation and serving workers is listed in 540 job postings. Note how this occupational title dominates the job posting results, as does food service managers. Common job titles in postings include assistant manager in 104 job postings, general manager in 73 job postings, and restaurant manager in 45 job postings.

Exhibit 4. Top occupational titles in job postings for front-of-house hospitality workers

Occupational Title	Job Postings	% of Job Postings
First-Line Supervisors of Food Preparation and Serving Workers	540	49%
Food Service Managers	520	47%
Lodging Managers	27	2%
Spa Managers	8	1%
First-Line Supervisors of Personal Service Workers	2	0%

Salaries

Exhibit 5 shows the "Market Salaries" for front-of-house hospitality workers 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.

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[2] Other than occupation titles and job titles, the categories below can be counted one or multiple times per job posting, and across several areas in a single posting. For example, a skill can be counted in two different skill types, and an employer can indicate more than one education level.

Exhibit 5. Salaries for front-of-house hospitality workers

Market Salary Percentile	Salary Amount
10th Percentile	$25,301
25th Percentile	$27,559
50th Percentile	$31,373
75th Percentile	$38,837
90th Percentile	$48,876

Education

Of the 1,097 job postings, 540 listed an education level preferred for the positions being filled. Among those, 85% requested high school or vocational training, 24% requested a bachelor's degree, and 16% requested an associate degree (Exhibit 6). A job posting can indicate more than one education level. Hence, the percentages shown in the chart below total more than 100%.
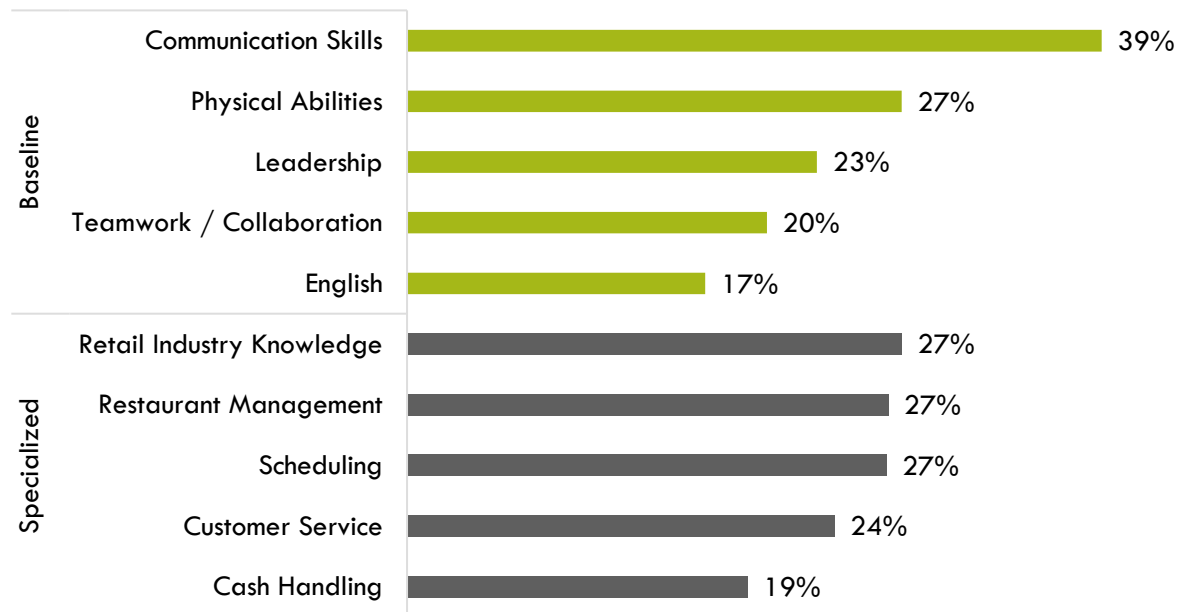
Exhibit 6. Education levels requested in job postings for front-of-house hospitality workers

Education level	Job Postings	% of Job Postings
High school or vocational training	460	85%
Bachelor's degree	132	24%
Associate degree	89	16%
Master's degree	10	2%

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, 39% of job postings, physical abilities, 27%, and leadership, 23%. The top three specialized skills are retail industry knowledge, 27% of job postings, restaurant management, 27%, and scheduling, 27%.

Exhibit 7. In-demand baseline and specialized skills for front-of-house hospitality workers

Baseline:
- Communication Skills: 39%
- Physical Abilities: 27%
- Leadership: 23%
- Teamwork / Collaboration: 20%
- English: 17%

Specialized:
- Retail Industry Knowledge: 27%
- Restaurant Management: 27%
- Scheduling: 27%
- Customer Service: 24%
- Cash Handling: 19%

Software Skills

Analysis also included the software skills most in demand by employers. Microsoft Excel and Office were the top two software skills identified in job postings (Exhibit 8).

Exhibit 8. In-demand software skills for front-of-house hospitality workers

11.6%	8.3%	4.0%	2.2%	2%
Microsoft Excel	Microsoft Office	Microsoft Word	Lotus Domino	Microsoft Powerpoint
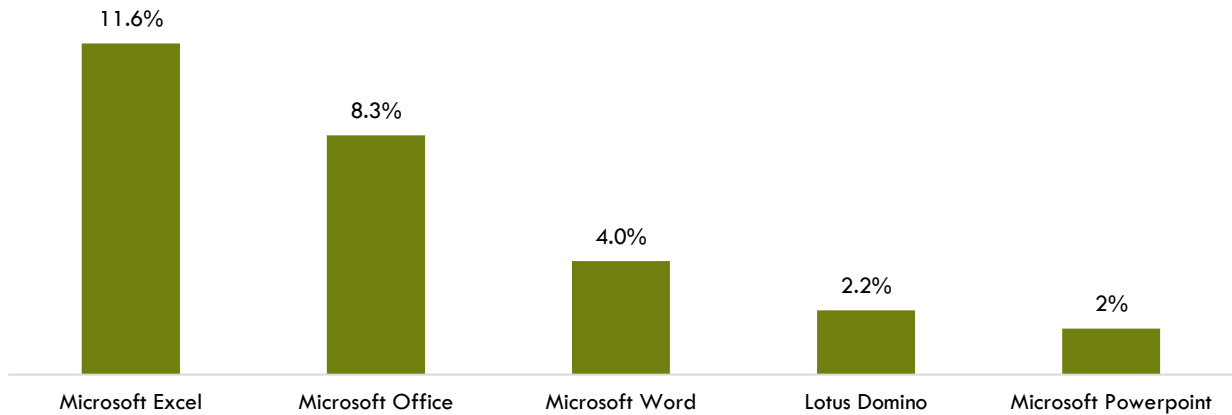
Certifications

Of the 1,097 job postings, 325 contained certification data. Among those, 58% indicated a need for a driver's license. The next top certifications are ServSafe and Food Handler (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 front-of-house hospitality certifications requested in job postings

58%	34%	12%	7%	3%
Driver's License	ServSafe	Food Handler Certification	Food Service Certification	Certified Dietary Manager
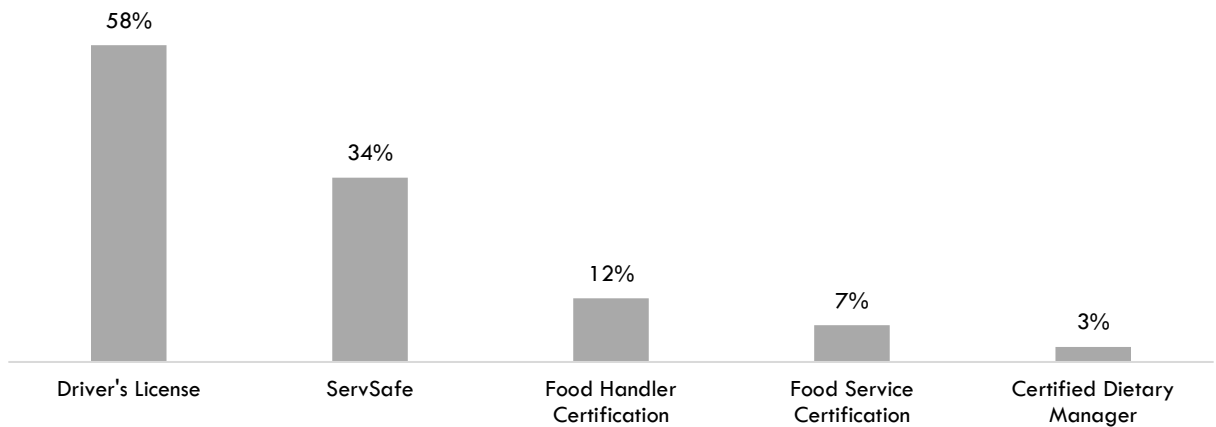
Education, Work Experience & Training

A high school diploma or equivalent is the typical entry-level education required for three of the four occupations. The exception is lodging managers, for which a bachelor's degree is the typical entry-level education (Exhibit 10).

Exhibit 10. Education, work experience, training, and Current Population Survey results for front-of-house hospitality workers occupations[3]

Occupation	Typical Entry-level Education	Work Experience Required	Typical On-The-Job Training	CPS
First-Line Supervisors of Food Preparation and Serving Workers	High school diploma or equivalent	5 years or more	None	39.8%
Food Service Managers	High school diploma or equivalent	None	Moderate-term	36.9%
First-Line Supervisors of Personal Service and Entertainment and Recreation Workers, Except Gambling Services	High school diploma or equivalent	Less than 5 years	None	37.5%
Lodging Managers	Bachelor's degree	None	Moderate-term	34.0%

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[3] "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 codes and titles: 130700-Hospitality and 130630-Culinary Arts. Analysis of the last three years of data shows that, on average, 155 awards were conferred in the Central Valley/Mother Lode region each year (Exhibit 11).

Exhibit 11. Postsecondary supply for front-of-house hospitality workers in the region

TOP Code - Title	Colleges	Associate Degree	Associate for Transfer Degree	Certificate 12 < 18 Semester Units	Certificate 18 < 30 Semester Units	Certificate 30 < 60 Semester Units	Certificate 6 < 18 Semester Units	Subtotal
010100 - Agriculture Technology and Sciences, General	Merced	10						10
	Modesto	7						7
	Porterville	7						7
	Reedley College	1			1			2
	West Hills Coalinga	2			2		1	5
011200 - Agriculture Business, Sales and Service	Bakersfield	15	21			2		37
	Merced	13	14			2		29
	Modesto	25	5					29
	Porterville		1					1
	Reedley College	0	9	1				10
	San Joaquin Delta	1	1					1
	Sequoias	4	3		9			16
TOTAL		**84**	**53**	**1**	**12**	**3**	**1**	**155**

There is an undersupply of 716 front-of-house hospitality workers in the NCV/NML subregion and 1,836 workers in the region (Exhibit 12).

Exhibit 12. Front-of-house hospitality workforce annual demand and supply in the NCV/NML subregion and region

Legend: ■ Demand ■ Gap ■ Supply

Region	Demand	Gap	Supply
NCV/NML	753	716	37
CVML	1,991	1,836	155
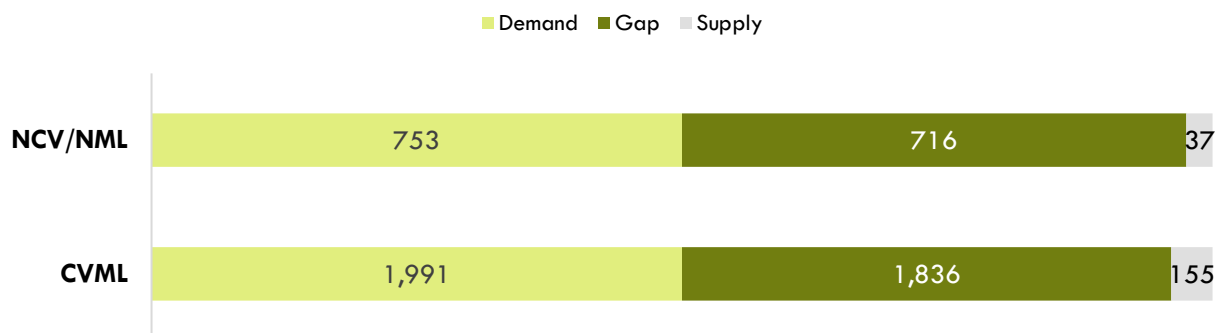
Student Outcomes

Exhibit 13 summarizes employment and wage outcomes from the California Community College Chancellor's Cal-PASS Plus LaunchBoard for the TOP codes related to front-of-house hospitality workers.

There were zero hospitality students who received a degree, certificate, or attained apprenticeship journey status, and 11 who transferred; 56% of students obtained a job closely related to their field of study, 42% reported a median change in earnings, and 46% attained a living wage.

Comparatively, there were 72 culinary arts students who received a degree, certificate, or attained apprenticeship journey status, and 18 who transferred; 40% of students obtained a job closely related to their field of study, 33% reported a median change in earnings, and 38% attained a living wage.

Exhibit 13. Regional metrics for the TOP codes related to front-of-house hospitality workers

Metric	Hospitality 130700	Culinary Arts 130630
Students Who Got a Degree or Certificate or Attained Apprenticeship Journey Status	0	72
Number of Students Who Transferred	11	18
Job Closely Related to Field of Study	56%	40%
Median Change in Earnings	42%	33%
Attained a Living Wage	46%	38%
* denotes data not available.		

Conclusion

The entry-level wages of the four occupations exceed the NCV/NML subregion's average living wage. There were 1,097 job postings in the past six months for occupations related to front-of-house hospitality workers 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 retail industry knowledge.
- The top software skill is Microsoft Excel.
- The top certification is a driver's license.

There is an undersupply of trained workers, a shortage of 716 in the NCV/NML subregion and 1,836 in the region.

Recommendation

Based on these findings, it is recommended that San Joaquin Delta College work with the Agriculture, Water and Environmental Technologies Regional Director, the college's advisory board, and local industry in the expansion of programs to address the shortage of front-of-house hospitality workers 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.