# Strong Workforce Program Hospitality, Culinary, and Travel Point of Sales and Technology Systems Regional Workforce Advisory Meeting Proceedings May 10, 2024 Zoom

### Introduction

The Los Rios Community College District, in partnership with Valley Vision and in collaboration with Sierra College, Yuba Community College District, and Lake Tahoe Community College, invests in Strong Workforce funding to organize and convene Regional Advisories. The objectives of the Regional Advisories are to build strong relationships between employers, educators, and the workforce that:

- Provide timely information on skills gaps and workforce needs, informing partners on major industry trend information;
- Improve the efficiency of the advisory process for educators and employers;
- Reflect a regional view of workforce needs and assets;
- Provide opportunities for systemic, ongoing engagement, including workforce partners in key industry sectors.

Regional Advisory meetings help inform decisions on needed investments and enhancements for Career Education (CE) programs to help fill the growing demand for middle-skill positions. This meeting proceedings report includes key findings, best practices, and minutes from the spring 2024 Regional Advisory meeting, which focused specifically on Technology and Point of Sales Systems.

Valley Vision supports a robust talent pipeline through our multiple 21st Century Workforce initiatives. We prepare our regional workforce for the future by addressing skills gaps, advancing research, aligning efforts, and strengthening systems. Valley Vision's workforce efforts are supported by the Sacramento Employment and Training Agency (SETA), Golden Sierra Workforce Development Board (WDB), North Central Counties Consortium, Yolo WDB, the City of Sacramento, local community college districts, and others.

The Strong Workforce program provides Career Education opportunities to increase social mobility and fuel regional economies with skilled workers.

# **Key Findings**

- The HCT sector had about 240,000 jobs in 2021 and is expected to grow by 5% from 2021 to 2026, adding nearly 11,000 jobs by 2026. This sector represents approximately 20% of Greater Sacramento's total employment and is home to around 15,000 active businesses. The key industries within the HCT sector are limited-service restaurants, full-service restaurants, and supermarkets/grocery stores.
- The analysis found that roles such as chefs, sales representatives, and restaurant managers offer competitive starting salaries, making them attractive to potential candidates. These positions require more training than a high school diploma but less than a four-year degree.
- The panelists mentioned that they typically use two different POS systems: Micros POS Systems for food and beverage operations and a Kiosk POS Systems for retail. They provide staff training in-house and through vendor workshops. They also discussed their experiences with using Toast and Square POS systems in restaurants. They praised Toast for its superior functionality but emphasized the importance of having an IT specialist to ensure that these systems are set up correctly, which allows managers to input data accurately.
- The panelists agreed that entry-level roles don't require prior experience but seek trainability and the ability to learn new systems. However, in managerial roles, they prefer to have some past experience. The panelists stressed the importance of kitchen staff being proficient in POS systems. They noted the widespread use of Square POS for its robust online ordering capabilities, particularly in food trucks and pop-up restaurants, but emphasized the need for a backup system due to potential outages.
- The panelists emphasized the importance of improving the AI and technical skills of current employees, as well as leveraging the capabilities of younger employees who are skilled at adapting to new technologies. Employers spoke about how automation is crucial for reducing the need for labor, particularly in light of rising minimum wages which put pressure on profit margins. They also forecasted that more restaurants and stores will shift to automation, with machines handling most tasks and requiring only minimal staffing.
- Incorporating strong interpersonal communication skills is seen as a significant
  advantage in the evolving landscape where human interaction is being gradually
  replaced by automated processes. Panelists highlighted the value of prioritizing
  candidates with robust communication abilities for roles entailing customer interaction
  within the HCT and technology sectors. One panelist shared his experience of enhancing
  his job prospects by enrolling in an interpersonal communication course at a local
  community college.

# **Meeting Proceedings**

#### Welcome and Introduction

Liz Kilkenny, Project Associate, and Hilary Tellesen, Senior Project Manager at Valley Vision, introduced the Spring 2024 Advisory focused on Point of Sales and Technology Systems. Josh Sweigert, Director of Employer Partnerships for Retail, Hospitality, and Tourism North Far North Regional Consortium, welcomed the employer panelists and guests. Valley Vision emphasized the importance of collaboration between colleges and employers in providing quality and relevant workforce training for individuals interested in developing a profession in the hospitality, culinary, and tourism (HCT) workforce.

# **Labor Market Information and Job Posting Insights**

The Director of the North Far North Centers of Excellence for Labor Market Research, Ebony Benzing, presented an analysis of the current trends in the HCT labor market within the Greater Sacramento region. The analysis was based on a <u>sector profile</u> produced and released in the Fall of 2023. Her study focused on the labor market dynamics across seven counties: El Dorado, Nevada, Placer, Sacramento, Sutter, Yolo, and Yuba.

According to her findings, the HCT sector had around 240,000 jobs in 2021. The job market is expected to grow by 5% from 2021 to 2026, leading to an estimated addition of nearly 11,000 jobs by 2026 (figure 1.1). Benzing highlighted that the HCT sector represents about 20% of Greater Sacramento's total employment, underlining its importance as a major industry in the region's economy.



Figure 1.1 Sector Highlights

Benzing highlighted that the sector is home to approximately 15,000 active businesses. She noted that the three key industries within the HCT sectors are limited-service restaurants, full-service restaurants, and supermarkets/grocery stores. Despite a strong labor market, four subsectors are expected to experience a collective job loss of over 2,000 jobs, with the highest Hospitality, Culinary, and Travel Advisory

loss in department stores, warehouses, and supercenters. This breakdown, detailed in Figure 1.2, highlights the significant role played by these industries in shaping the region's employment landscape and demonstrates the sector's heavy concentration and reliance on these food/grocery-related industries for jobs.

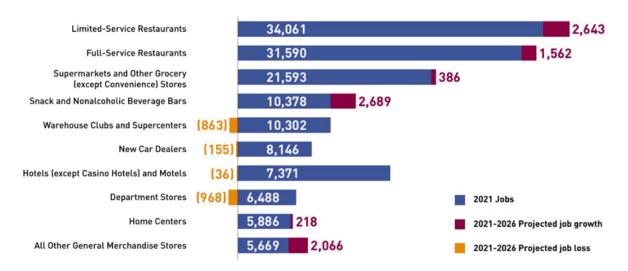


Figure 1.2 Employment by Industry Sector

In the course of the analysis, Benzing discovered that the salary ranges for roles such as chefs, sales representatives, and restaurant managers offer a strong starting wage that can be attractive to potential candidates (Figure 1.3). It is essential to recognize that these roles typically demand more training than a high school diploma but less than a 4-year degree. Nonetheless, she observed that these figures may not completely reflect the present situation in our region but rather present a snapshot of the scenario in 2021. Benzing mentioned that she is closely monitoring the impact of the \$20 minimum wage for fast-food workers, which has recently come into effect and may have implications for the limited-service industry sector.

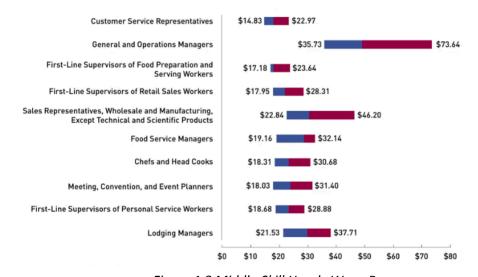


Figure 1.3 Middle-Skill Hourly Wage Ranges

Ebony Benzing's analysis of this sector sheds light on the evolving landscape of the HCT labor market in the Greater Sacramento region. The findings provide insights into the sector's challenges and opportunities, from employment trends to job postings.

#### **Panel Discussion**

During the panel discussion, regional employers shared information about the current skill and potential for automation in the Hospitality, Culinary, and Travel industries. The panelists represented various employers from different service industries, including:

- Victor Taibi, Systems Administrator, Information Technology, Thunder Valley Casino Resort
- Shelly Moranville, General Manager, Residence Inn Sacramento by Marriott
- Keith Roberts, Chief Operating Officer, Tahoe Investment Capital and Stewardship, CEC
- Paul Somerhausen, Founder and Chief Executive Officer, Sacto MoFo

## **Point of Sales and Training**

During the panel discussion, industry experts shared their insights on the operational aspects of their respective sectors, which included casinos, hotels, and restaurants. They delved into the intricacies of Point of Sale (POS) systems, staff training methodologies, and the importance of experience in different roles.

Taibi provided a comprehensive overview of Thunder Valley Casino Resort's operational setup. He mentioned the complexity of the point-of-sale systems due to the dual aspect of the business, which includes gaming and lodging operations. Thunder Valley Casino uses two distinct POS systems: Micros for the food and beverage sector and Kiosk for retail operations. Taibi highlighted the resort's commitment to staff development through in-house training and vendor workshops.

Moranville discussed Marriott's proprietary training system for hotel management. The system includes a 120-page manual and offers a simulated environment for associates to practice tasks like guest check-ins, payment authorization, and various transactions.

In the restaurant industry, Somerhausen pointed out the prevalent use of <u>Square POS</u> for its robust online ordering capabilities, which are sought after by food trucks and pop-up restaurants. However, he cautioned about the interface's complexity and the necessity of a backup POS system to counter potential outages. Roberts shared insights into applying <u>Toast</u> and Square POS systems across restaurants. He praised Toast's superior functionality and emphasized the need for an IT specialist to ensure these systems are set up correctly, enabling managers to input data accurately.

The panelists agreed that prior experience is not required for entry-level roles; instead, they look for trainability and the ability to learn new systems in applicants. However, some past experience is preferred for managers. Roberts mentioned that his kitchen staff needs to be proficient in POS systems to manage food costs and labor. The panelists also mentioned that they have observed that new front-of-house staff often come from diverse work backgrounds, bringing with them a range of experiences and skills. Additionally, they have noticed that many new staff members have a good understanding of technology, likely gained from using it in their daily lives.

#### **AI and Automation**

The panelists discussed how stores and restaurants will become more automated in the next few decades. Somerhausen expressed his vision of a future where stores and restaurants will completely automate their operations within the next 20 years, with a single individual supervising robots in the kitchen. He emphasized that automation is crucial for reducing labor requirements, especially in light of challenges posed by increasing minimum wages, which put pressure on profit margins. He described the move toward automation as monumental over the next 15-20 years, with more and more restaurants and stores transitioning to automated machines handling most tasks, requiring minimal staffing. Roberts stressed the importance of developing proficiency in AI and technical skills in existing staff and utilizing these skills in younger employees adept at adopting new technologies.

Similarly, Moranville explored automation trends in the hotel industry. For example, robotic vacuums have already replaced manual vacuuming in large facilities. She mentioned that she already sees the hotel industry moving towards a more tablet-oriented environment at the front desk, reducing the need for traditional computers. She discussed potential challenges related to interpersonal communication skills as human interaction gives way to automated processes. Agreeing with Moranville, Taibi stated that when hiring, they look for someone with high communication skills, as most HCT jobs are customer-facing. Stressing the importance of interpersonal communication skills, Taibi shared that he was able to take an interpersonal communication class at the community college. He emphasized the importance of essential IT skills such as data analytics, cybersecurity, and troubleshooting methodologies to support an increasingly automated infrastructure. For Thunder Valley, candidates from the community college level with a solid grasp of security fundamentals, particularly cybersecurity, and a general understanding of cloud systems are highly sought after as their industries heavily rely on point-of-sale systems.

# **Program Offerings and College Partnerships**

## **Culinary Arts Management, Cosumnes River College**

Michael Frigm, Professor of <u>Culinary Arts Management at Cosumnes River College</u>, shared details about the program. Frigm highlighted the program's unique features, such as zero textbook costs and a \$6 million facility renovation. Additionally, the program focuses on culinary arts management and entrepreneurship, with a capstone course on restaurant food service micro-entrepreneurship.

## **Culinary Arts, Woodland Community College**

Josh Sweigert provided updates on programs at Woodland Community College led by Pasha Wilson. The college offers certificates in <u>Baking and Culinary Arts</u>. While in the program, students receive hands-on experience by operating the Bravo Cocin Cafe, which is open to the public. Students are expected to operate a drinks bar, provide café-style lunch service, and cater for community and college events.

## Hospitality Management and Culinary Arts, American River College

Sweigert also provided details on programs at American River College, led by Brian Knirk. The college offers <u>Culinary Arts, Hospitality Management</u>, and other certifications. Currently, over 200 students are enrolled in its classes. Through its on-campus fine dining experience and retail bakery, it is able to offer real-world experiences to its students. Students are expected to run both the front and back of the house.

#### Conclusion

At the end of the advisory, faculty and employers were encouraged to continue to engage with one another to build a stronger pipeline into careers in the region's HCT industry. For more information about the report and labor market data provided, please contact:

- Hilary Tellesen, Workforce Senior Project Manager, Valley Vision, <u>hilary.tellesen@valleyvision.org</u>
- Josh Sweigert, Director of Employer Partnership of Retail, Hospitality, and Tourism, Los Rios Community College <u>jsweigert@shastacollege.edu</u>