

SOUTH CENTRAL COAST: Small Business Sector Profile

What Is Driving Growth?

Just as in the national economy, small businesses play an important role in the economy of the South Central Coast.

Primary areas of focus for small businesses in the region are agriculture, tourism and recreation. Small mom-and-pop businesses with three to four employees are predominant in the region.

The tourism sector is a major driver behind these small businesses. Seaside hotels, restaurants and boutiques are a major draw for tourists visiting the region's quaint seaside communities and picturesque wineries.

Meanwhile, the service industry also is fueling growth, in areas such as personal training, massage therapy and child care.

The rise of small businesses in the region has been propelled by the gig economy, as younger workers increasingly take on project-based work as freelancers and independent contractors.

Workforce Priorities

As more people launch small businesses in the South Central Coast, there is a need for training on how to run a successful business, such as the hiring and retention of employees, and understanding the ins and outs of accounting, taxes and insurance.

College of the Canyons is piloting a "Self-Employment Pathways in the Gig Economy" program to prepare students to navigate the twists and turns of freelance and contract work. The program will be implemented by 20 colleges throughout the state during the Spring 2018 and Fall 2018 semesters.

This new program is a response to a changing workforce. Despite the economic recovery, businesses in the area have not returned to hiring full-time workers, instead preferring to engage contractors on a per-project basis.

This has particularly been the case in the tech industry. Workers in ICT/digital media—such as programmers, graphic designers and web developers—are more commonly hired on a short-term basis to complete a specific project, and if the project is successfully executed, they are invited to enter into a new contract for another project.

Generational preferences are also spurring the local gig economy, as Millennials and Generation Z tend to gravitate toward work that offers flexibility, mobility and freedom.

SOUTH CENTRAL COAST

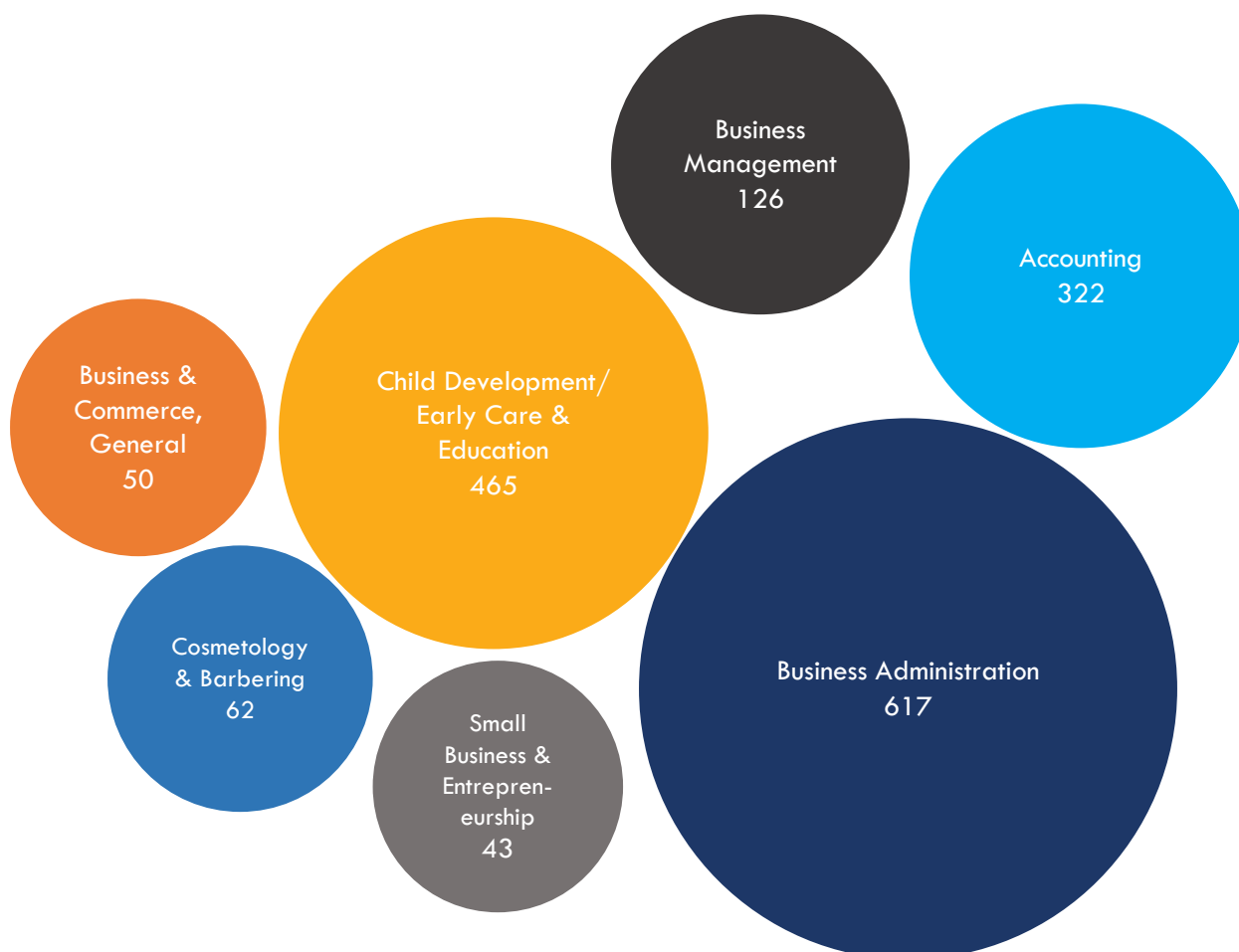
Community colleges in San Luis Obispo, Santa Barbara, Ventura and northern Los Angeles counties:

- Allan Hancock College
- Antelope Valley College
- College of the Canyons
- Cuesta College
- Moorpark College
- Oxnard College
- Santa Barbara City College
- Ventura College

Community College Programs

Regional community college programs related to small business with the highest number of completions are business administration, child development/early care and education, and accounting.

SOUTH CENTRAL COAST COMMUNITY COLLEGE PROGRAM COMPLETIONS



SOUTH CENTRAL COAST COMMUNITY COLLEGE PROGRAMS

TOP6 Code	TOP6 Title	3-Yr Average 2013-16
050500	Business Administration	617
130500	Child Development/Early Care and Education	465
050200	Accounting	322
050600	Business Management	126
300700	Cosmetology and Barbering	62
050100	Business and Commerce, General	50
050640	Small Business and Entrepreneurship	43

Community College Supply

There are eight community colleges in the South Central Coast region offering programs related to small business. Over the past three years, on average, these colleges have conferred 1,702 awards annually.

College of the Canyons has conferred the most awards of all colleges in the region, on average 289 per year.

Moorpark College and Ventura College also lead the region in the number of awards conferred related to small business.

It also appears that student demand for programs related to small business may be growing. The number of small business awards conferred has increased substantially over the last three years, from 1,424 in the 2013-14 academic year to 2,018 in the 2015-16 academic year.

COMMUNITY COLLEGE AWARDS, THREE-YEAR AVERAGE

College	Awards 2013-14	Awards 2014-15	Awards 2015-16	3-Yr Average 2013-16
Allan Hancock	165	165	123	151
Antelope Valley	202	248	282	244
Canyons	235	243	389	289
Cuesta	132	148	175	152
Moorpark	221	283	324	276
Oxnard	123	100	126	116
Santa Barbara	183	256	221	220
Ventura	163	222	378	254
TOTAL	1,424	1,665	2,018	1,702

Job Openings & Wages

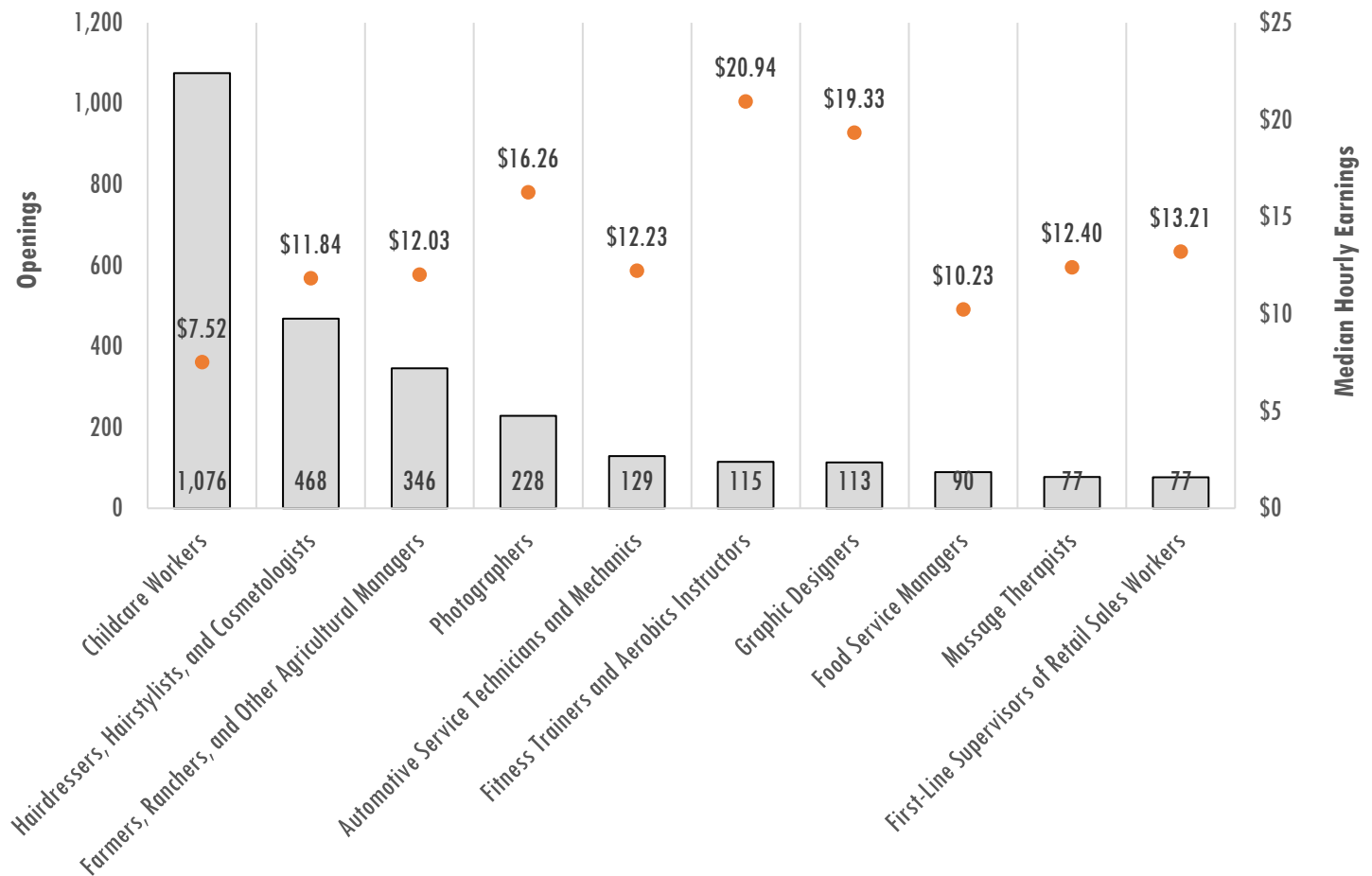
Middle-skill jobs are those that require an education level below a bachelor's degree.

The top three middle-skill occupations related to small business with the greatest number of annual job openings in the region are:

- Childcare workers (1,072 openings);
- Hairdressers, hairstylists and cosmetologists (468); and
- Farmers, ranchers and other agricultural managers (346).

The highest wages are earned by fitness trainers and aerobics instructors, \$20.94/hour, followed by graphic designers, \$19.33/hour.

MIDDLE-SKILL OCCUPATIONS IN SMALL BUSINESS



Above-middle-skill occupations, those which require a bachelor's degree or higher, also were analyzed.

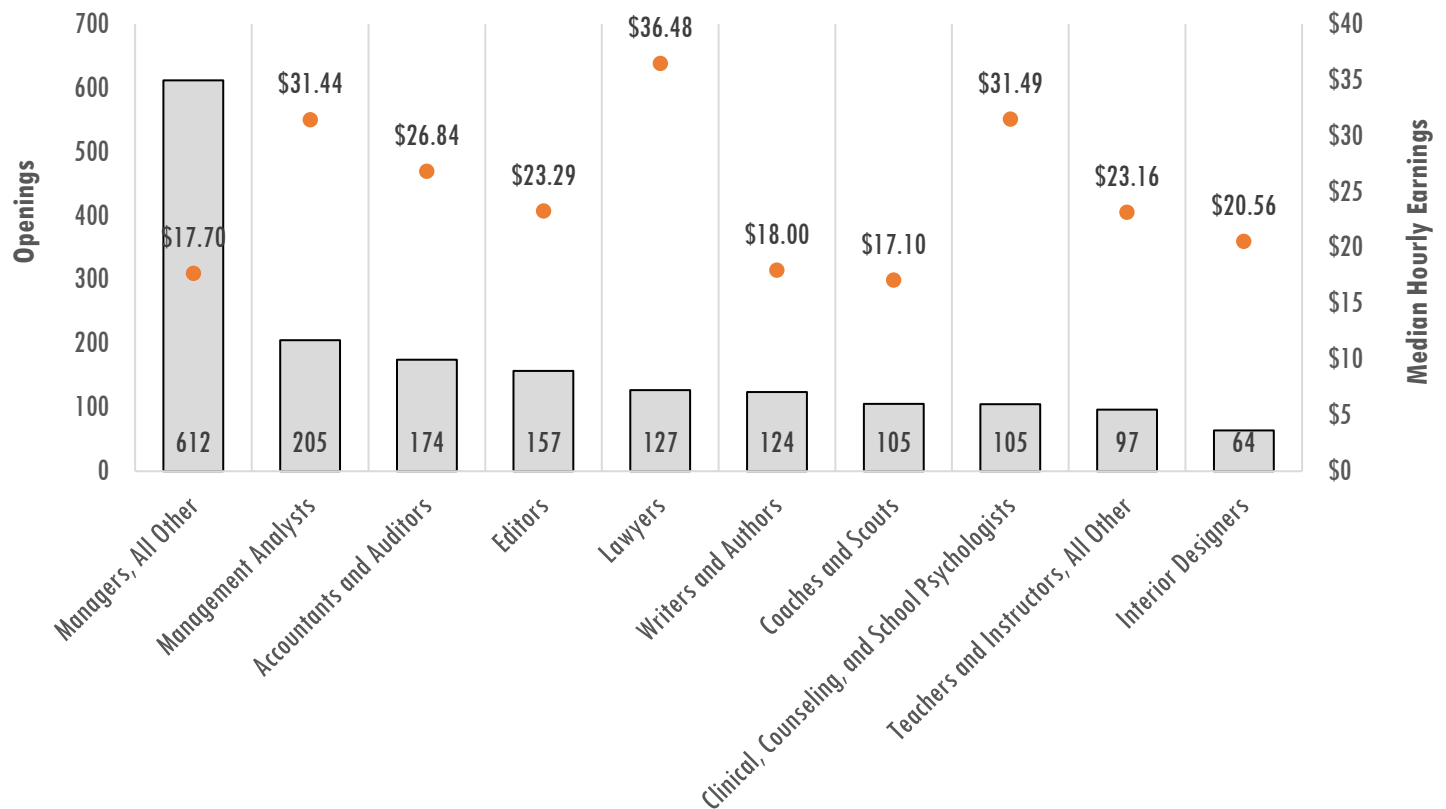
The top three occupations in the region's small business sector with the most annual openings are:

- Managers, all other (612 openings);
- Management analysts (205); and
- Accountants and auditors (174).

Wages for above-middle-skill occupations are considerably higher than the middle-skill occupations shown in the previous chart.

The highest wages shown in the group below are earned by lawyers, \$36.48/hour, followed by clinical, counseling and school psychologists, \$31.49/hour.

ABOVE-MIDDLE-SKILL OCCUPATIONS IN SMALL BUSINESS



About this report

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This report is part of an initiative of the California Community Colleges' Doing What MATTERS for Jobs and the Economy framework, which invests in California's economic growth and global competitiveness through industry-specific partnerships, education, training and services that contribute to a highly skilled and productive workforce. Visit doingwhatmatters.cccco.edu to learn more.

Data sources: Economic Modeling Specialists International (EMSI), Center of Excellence

Supply and Demand Tables, Center of Excellence TOP-CIP-SOC Crosswalk, Chancellor's Office MIS System

