

South Central Coast RPU 4-Year Regional Plan, 2 Year Modification Program Years 2021-2024

Local Workforce Development Area(s)

Regional Lead Contact for RPU Luis Servin, Santa Barbara County

Date of Submission March 31, 2023

| Local Area | Contact Name | Phone Number | Email |
|------------------------|----------------|--------------|--|
| San Luis Obispo County | Dawn Boulanger | 805-781-1835 | dboulanger@co.slo.ca.us |
| Santa Barbara County | Luis Servin | 805-681-4446 | lservin@countyofsb.org |

Executive Summary

This 2-year modification of the Regional Plan comes as the South Central Coast Regional Planning Unit (RPU) continues to adapt to the ongoing impacts of the COVID-19 pandemic. This Regional Plan modification is an update on the ways that the RPU is working to actualize the vision and policy objectives provided in the State Plan. Fulfilling this vision will require partners to regularly collaborate across agencies, programs, and funding streams to align strategic efforts, investments, and service delivery activities to meet shared outcomes within common in-demand industry sectors.

This Regional Plan seeks to address the state's formal guidance while also considering the temporary and permanent effects of the pandemic. RPU members are confident that the themes and objectives outlined in this plan will assist in the region's ongoing recovery from the COVID-19 pandemic, while fostering relationships with partners, and working towards more equitable opportunities for workers in the region.

The South Central Coast RPU builds upon the following strategic goals provided by the state:

1. Fostering demand-driven skills attainment by:
 - a. Leveraging labor market data to uncover strategic opportunities and gaps in training and education.
2. Enabling upward mobility for all Californians by:
 - a. Investing in specific career pathways in key industries, working with regional partners and stakeholders, and ensuring access through AJCCs.
3. Aligning, coordinating, and integrating programs and services by:
 - a. Close collaboration with Community Colleges and Adult Education providers, Community Based Organizations, non-profits, industry and chambers representatives, and other local organizations.

The South Central Coast RPU's Regional Plan relies upon the following to drive findings and strategies:

- a. The most-up-to-date labor market information available to identify the current state of the volatile labor market and local economy;
- b. Engagement with regional and industry leaders to get details beyond labor market data; and
- c. Consideration toward macroeconomic influences and equity ramifications.

The updated data that comprises this Regional Plan modification is the basis for informed decision and policy-making among the South Central Coast RPU and its regional partners.

Analytical Overview of the Region

- *Current employment and unemployment data.*
- *Current educational and skill levels of the workforce, the current needs of employers in the region, and any relevant skill gaps between the two.*
- *Industries and occupations with an emerging demand.*

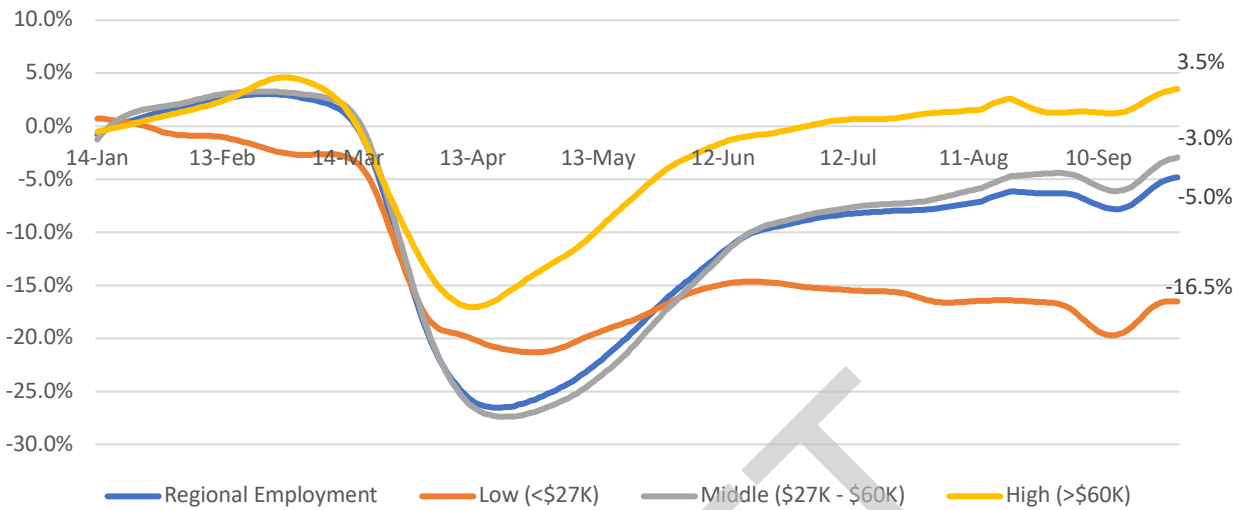
EMPLOYMENT AND UNEMPLOYMENT TRENDS

Before the COVID-19 pandemic, unemployment had been on a downward trend since 2016. By April of 2020, the unemployment rate had jumped to 13.9% compared to 4.1% at the start of 2020. The April unemployment rate in 2020 was 348% higher than in April 2019, representing 37,000 people out of work. Now the South Central Coast is experiencing a tight labor market, with a 2.8% unemployment rate in Santa Barbara (6,300 individuals) and a 2.5% unemployment rate in San Luis Obispo (3,400 individuals), for a total of 9,700 individuals, as of October 2022.¹ Clearly, the regional economy's unemployment rates have significantly improved from their 2020 levels.

Relatedly, the losses of employment during the pandemic due to business restrictions and decreased consumer activity had unequal impacts on workers across the economy, resulting in a 'K-shaped' recovery. As Figure 1 highlights, the lowest-earning quartile of workers (or those earning less than \$27,000 per year) bore the brunt of the economic impacts, with a 21% decline in employment relative to the January 2020 average. In contrast, workers in the highest-earning quartile (those earning more than \$60,000 a year) saw a similar initial 17% decline in employment but quickly recovered. As of the end of September 2020, these higher-earning jobs had seen a modest increase in employment from January 2020 levels. As the South Central Coast region looks to support the recovery of local workers and the economy, it will be important to target efforts to support the populations that have seen the greatest economic harm.

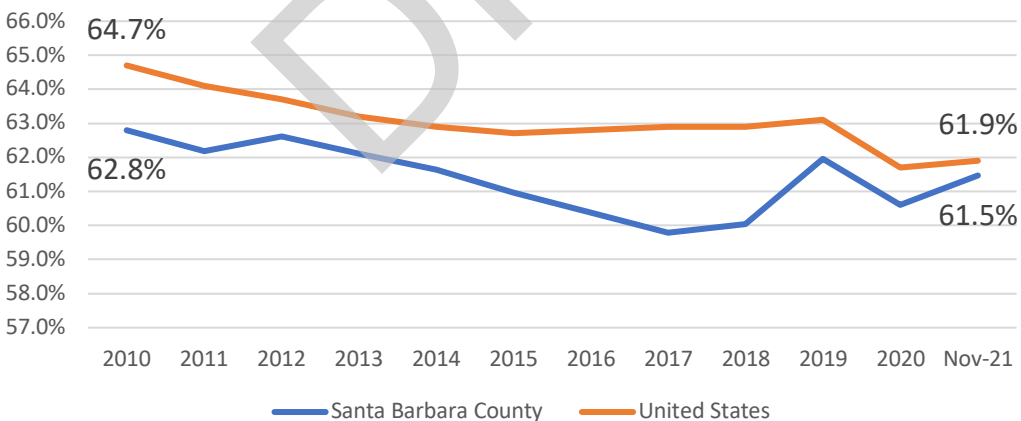
¹ EDD LMID, data as of Nov 28, 2022

Figure 1. Change in Employment by Worker Income²



A report by BW Research shows that, historically, labor force participation rates (LFPR) in Santa Barbara County have been below the national level and continue to be below the national level. Overall, the LFPR in Santa Barbara County dropped from 63% in 2010 to under 62 percent in November 2021, a 1.3% decrease. Prior to the COVID-19 pandemic in 2020, LFPR had increased by 1.9% between 2018 to 2019, reaching a rate of 62% (See Figure 2).

Figure 2. Santa Barbara County Annual Labor Force Participation Rate³



² "The Economic Impacts of COVID-19: Evidence from a New Public Database Built Using Private Sector Data", by Raj Chetty, John Friedman, Nathaniel Hendren, Michael Stepner, and the Opportunity Insights Team. November 2020. Available at: https://opportunityinsights.org/wp-content/uploads/2020/05/tracker_paper.pdf

³ Labor Force Participation in Santa Barbara County, BW Research, April 2022

The South Central Coast region had about 374,800 workers in 2019. As of October 2022, the region has about 363,300 workers, amounting to a 3.1% decrease in the labor force since 2019.⁴

At the same time that the LFPR is decreasing, the number of jobs in the region is on the rise. A report by Lightcast Data showed that jobs in the South Central Coast region have increased by 6.1% from 2020 to 2022, increasing from 342,207 to 362,956.⁵ Further discussion of the impacts of the changes to the LFPR appears later in this plan.

RACE AND ETHNICITY

About four-fifths (81%) of the Southern Coastal Region population identifies as White, and just over a third (36%) of the population identifies as Hispanic or Latino (Figure 3).⁶ Over the past five years, the Southern Coastal Region has seen a modest increase in residents who identify as White, Asian, Hispanic or Latino, or two or more races (Figure 4).

More specifically in Santa Barbara County from 2016-2020, for people reporting one race alone, the majority (71.8%) were White; 5.5% were Asian; 1.9% were Black or African American; 1.1% were American Indian and Alaska Native; 0.1% were Native Hawaiian and Other Pacific Islander, and 9.8% were Some other race. An estimated 9.7% reported Two or more races. An estimated 45.7 percent of the people in Santa Barbara County, California were Hispanic or Latino. An estimated 43.9 percent of the people in Santa Barbara County, California were White alone, non-Hispanic.⁷

In San Luis Obispo County from 2016-2020, for people reporting one race alone, 82.6% were White; 3.7% were Asian; 1.7% were Black or African American; 0.8% were American Indian and Alaska Native; 0.1% were Native Hawaiian and Other Pacific Islander, and 4.4% were Some other race. An estimated 6.6% reported Two or more races. An estimated 22.8% of the people in San Luis Obispo County, California were Hispanic or Latino. An estimated 68.3% of the people in San Luis Obispo County, California were White alone, non-Hispanic.⁸

⁴ EDD LMID local profile for Santa Barbara County and for San Luis Obispo County

⁵ Lightcast Data, Occupations in the South Central Coastal Region

⁶ Note: The Census Bureau asks first about race (which excludes Hispanic or Latino) and then asks about ethnicity (Hispanic or Latino, or not). Thus, a respondent may identify as both White and Hispanic or Latino.

⁷ 2016—2020 ACS 5-Year Narrative Profile: Santa Barbara County, California.
<https://www.census.gov/acs/www/data/data-tables-and-tools/narrative-profiles/2020/report.php?geotype=county&state=06&county=083> .

⁸ 2016—2020 ACS 5-Year Narrative Profile: San Luis Obispo County, California.
<https://www.census.gov/acs/www/data/data-tables-and-tools/narrative-profiles/2020/report.php?geotype=county&state=06&county=079>

Figure 3. Race and Ethnicity of Southern Coastal Region Population (2018)⁹

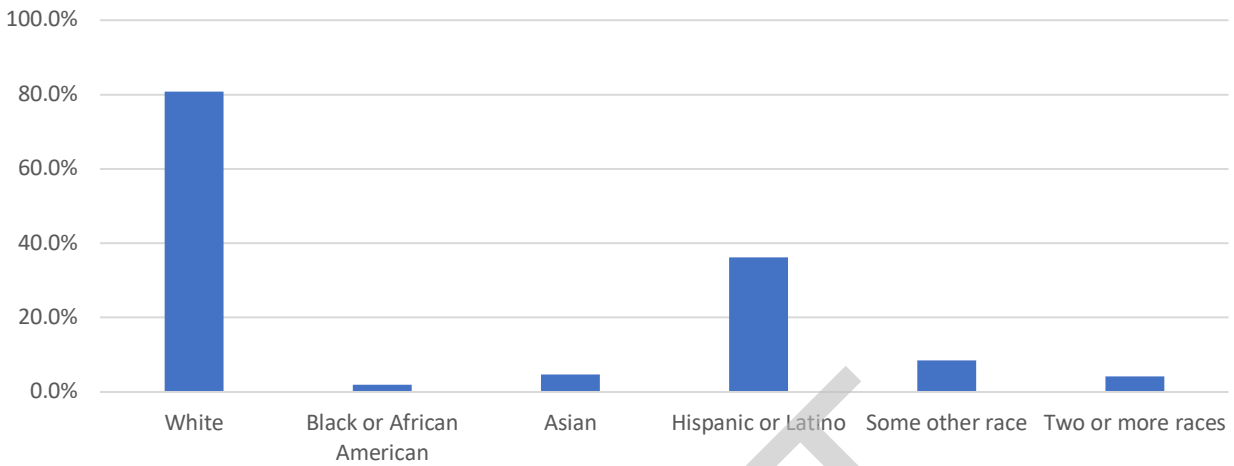
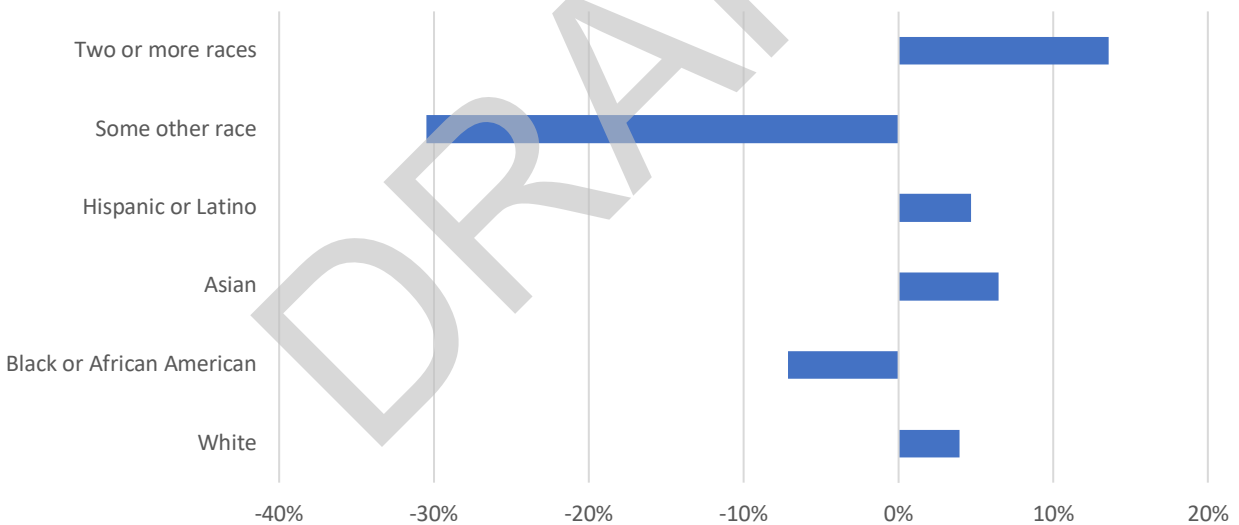


Figure 4. Change in Race and Ethnicity of Southern Coastal Region Population (2013-18)¹⁰



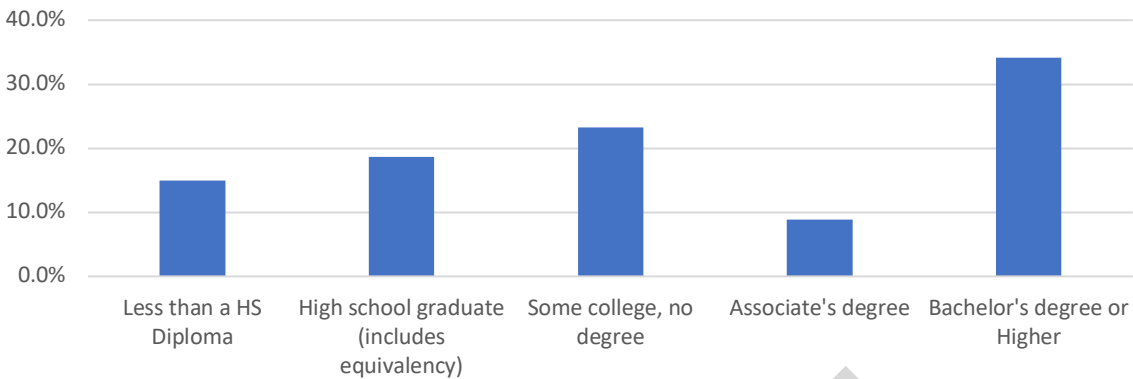
EDUCATIONAL ATTAINMENT

A plurality (34%) of the South Central Coast region population 25 years of age and older have a Bachelor’s degree or higher. Another third (34%) of the population has a high school diploma (or equivalent) or less (Figure 5).

⁹ American Community Survey 5-Year Estimates (2013-2018). United States Census Bureau.

¹⁰ American Community Survey 5-Year Estimates (2013-2018). United States Census Bureau.

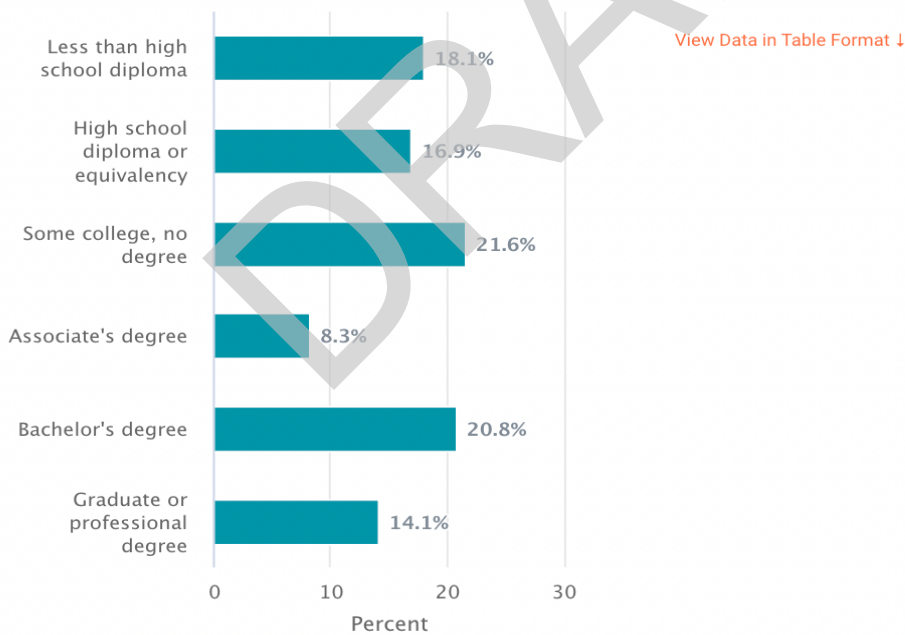
Figure 5. Educational Attainment (Population Ages 25+) (2018)¹¹



In Santa Barbara County from 2016-2020, 81.8% of people 25 years and over had at least graduated from high school and 35.0% had a bachelor's degree or higher. An estimated 18.1% did not complete high school (Figure 6).

Figure 6. Educational Attainment of SB County (2016-20)¹²

Educational Attainment of People in Santa Barbara County, California in 2016-2020



¹¹ American Community Survey 5-Year Estimates (2013-2018). United States Census Bureau.

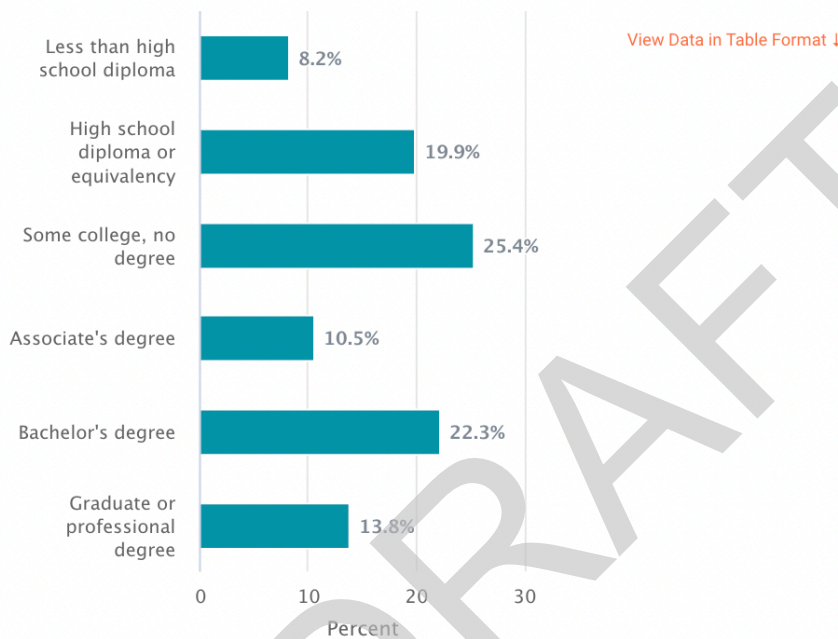
¹² 2016—2020 ACS 5-Year Narrative Profile: Santa Barbara County, California.

<https://www.census.gov/acs/www/data/data-tables-and-tools/narrative-profiles/2020/report.php?geotype=county&state=06&county=083> .

In San Luis Obispo County from 2016-2020, 91.8% of people 25 years and over had at least graduated from high school and 36.1% had a bachelor's degree or higher. An estimated 8.2% did not complete high school (Figure 7).

Figure 7. Educational Attainment of SLO County (2016-20)¹³

Educational Attainment of People in San Luis Obispo County, California in 2016-2020



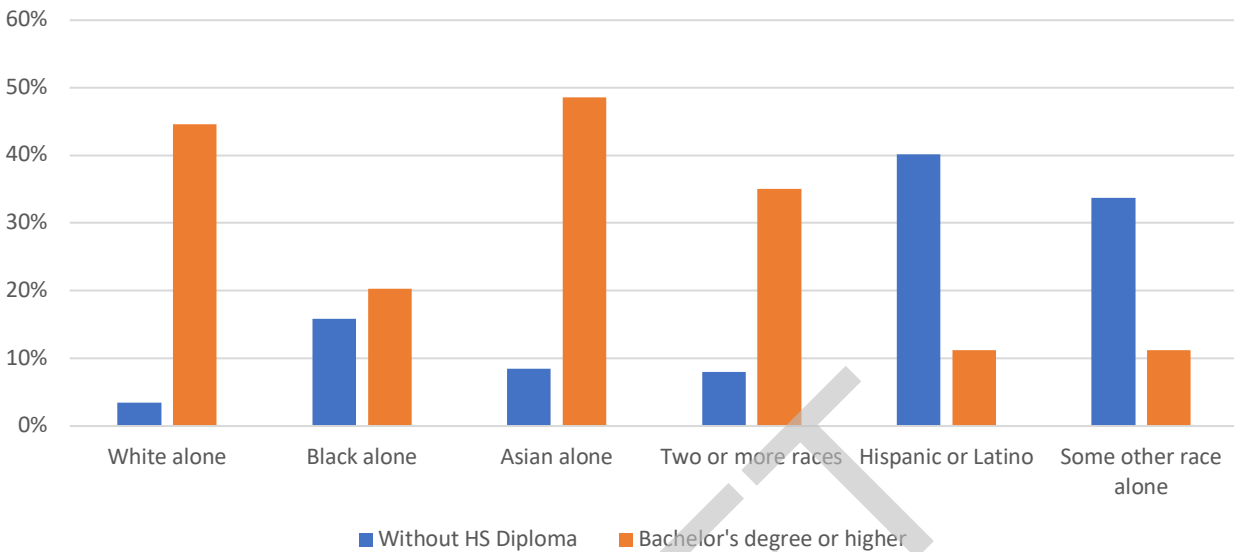
It is also worth noting that 12.3% of the South Central Coast population speaks English Less than “Very Well.”¹⁴ Further, 17.6% of residents are foreign born.

Figure 8 highlights the unequal proportion of educational attainment by race and ethnicity; White residents are four times more likely to have a Bachelor’s degree or higher than Hispanic or Latino residents and twice as likely as Black or African American residents. Given the crucial role that higher education can play in earnings and economic mobility, these figures highlight persistent inequalities. The South Central Coast RPU aims to work with regional K-12 and adult education partners to remediate these disparities.

¹³ 2016—2020 ACS 5-Year Narrative Profile: San Luis Obispo County, California.
<https://www.census.gov/acs/www/data/data-tables-and-tools/narrative-profiles/2020/report.php?geotype=county&state=06&county=079>

¹⁴ <https://www.labormarketinfo.edd.ca.gov/geography/regional-planning-units.html>

Figure 8. Educational Attainment by Race and Ethnicity (Population Ages 25+) (2018)¹⁵



INDUSTRIES AND OCCUPATIONS

The South Central Coast RPU serves as a link between regional employers and regional education and training providers. Direct communications between these two parties eliminates guesswork, expedites the process of developing or adapting curriculum, and assures employers that students are prepared for their roles. The RPU also sponsors events like career fairs to help students network with regional employers and learn about industry dynamics.

Focusing on opportunities that provide workers with sustainable wages and upward career mobility in established and growing sectors is a top priority of the RPU, and connecting job-seekers and High Road opportunities and employers will play a crucial role in the South Central Coast Region's recovery from the COVID-19 pandemic. This section of the Regional Plan identifies key industry clusters and sustainable-wage occupational pathways within those industry clusters and will serve as guidance for the RPU and partners in the region.

Regional Industry Clusters

Industry clusters are important because they provide a coherent picture of the local economy and opportunities for development or growth. Industry clusters can also have multiplier effects, as firms within clusters attract similar workforces, attracting more employers and creating a feedback loop that strengthens the local labor market. Focusing on specific industry clusters

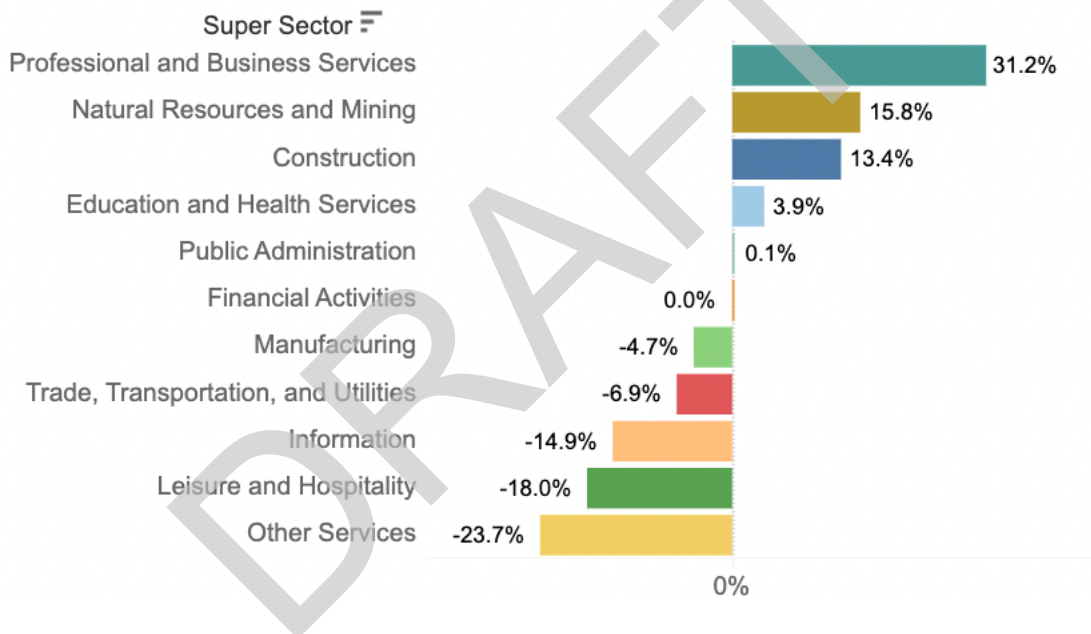
¹⁵ American Community Survey 5-Year Estimates (2013-2018). United States Census Bureau.

allows the RPU and other workforce development stakeholders to leverage the region’s economic advantages and develop robust education and training programs to support a qualified workforce. The South Central Coast RPU uses the data below to help inform, develop, and revise programs and initiatives.

The highest-earning industry clusters exhibited moderate to minimal growth between 2016-2020. Notably, Professional and Business Services grew by 31.2% and Construction grew by 13.4%. Leisure and Hospitality shrank by 18%.¹⁶ See Figure 9 for industry growth rates.

Figure 9. Industry Growth Rates for the South Central Coast RPU (2016-2020)¹⁷

2016 to 2020 Growth Rate

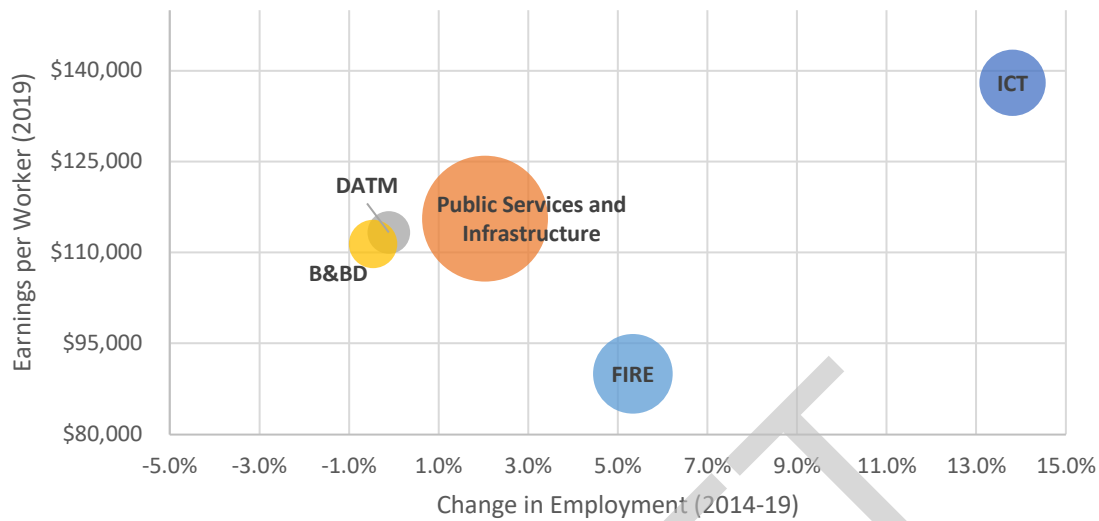


The five industry clusters with the highest average earnings per worker (including benefits) include Information and Communication Technology (ICT); Public Services and Infrastructure; Biotechnology and Biomedical Devices (B&BD); Finance, Insurance, Banking and Real Estate (FIRE); and Defense, Aerospace, and Transportation Manufacturing. Workers in these industry clusters earn an average between \$90,000 and \$138,000 annually (Figure 10).

¹⁶ <https://www.labormarketinfo.edd.ca.gov/geography/regional-planning-units.html>

¹⁷ <https://www.labormarketinfo.edd.ca.gov/geography/regional-planning-units.html>

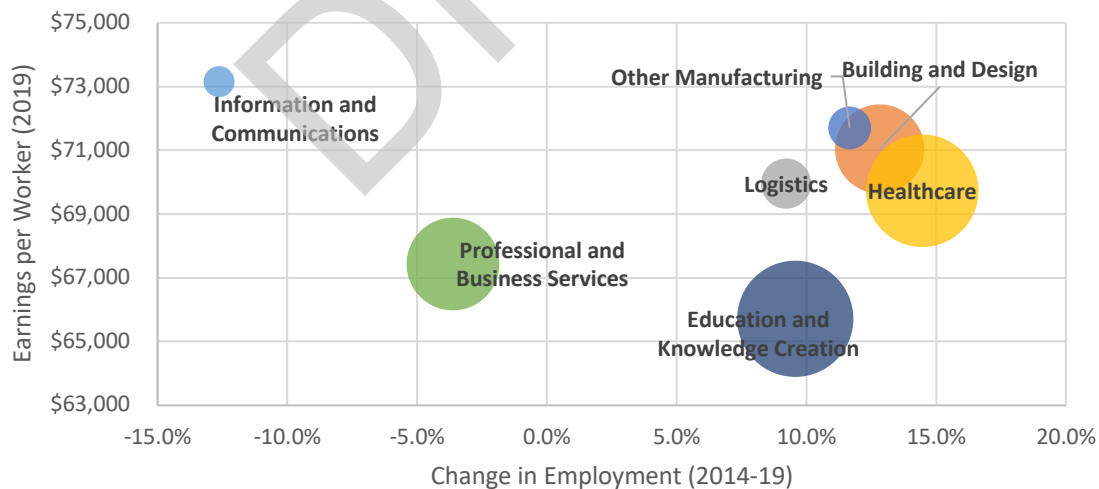
Figure 10. Highest-Earning Industry Clusters in the South Central Coast Region¹⁸



*Size of Bubble Reflects Relative Number Employed in Industry

The seven industries with mid-level average earnings (including benefits) earn between \$65,000 and \$73,000 per year. With the exception of Professional and Business Services and Information and Communications, the remaining four industry clusters saw employment increase by 9% or more between 2014 and 2019 (Figure 11).

Figure 11. Mid-Earning Industry Clusters in the South Central Coast Region¹⁹



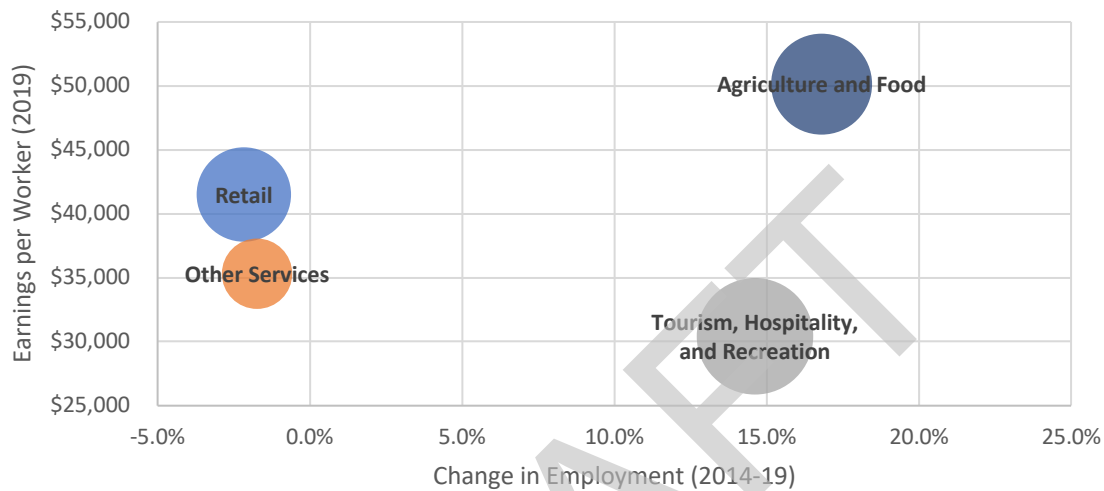
¹⁸ Emsi 2020.3

¹⁹ Emsi 2020.3

**Size of Bubble Reflects Relative Number Employed in Industry*

The four industry clusters with the lowest average earnings have average earnings ranging from \$30,000 to \$50,000 per year. With the exception of Retail and Other Services, these industry clusters saw employment growth near or exceed 14% between 2014 and 2019 (Figure 12).

Figure 12. Lowest-Earning Industry Clusters in the South Central Coast Region²⁰



**Size of Bubble Reflects Relative Number Employed in Industry*

Career Pathways and Opportunities

While the COVID-19 pandemic has reshaped national and regional economies, there remain several pathways and opportunities in resilient industries and occupations for workers entering, re-entering, or advancing in the workforce. The following analysis highlights some of the key occupations and career pathways within key industries selected for their pre-pandemic growth, wages, resilience, and upward mobility.

These pathways highlight two of the RPU's target industry clusters (Healthcare and Building and Design) along with two other key industry clusters (Finance, Insurance, Banking, and Real Estate and Professional and Business Services). This section also includes two growth industry clusters with relatively small footprints in the region but have exhibited strong recent growth and present opportunity for development in the future. These industries were selected for their relatively high average earnings, with entry-level roles typically providing living wages and strong potential for upward mobility.

²⁰ Emsi 2020.3

BUILDING & DESIGN

The Building & Design industry cluster consists of firms and industries that design, construct, and repair buildings and infrastructure. Table 1 illustrates three prominent career pathways within Building and Design in the South Central Coast region. Importantly, these pathways have entry-points that are accessible with a high school or community college diploma and have strong earning potential as individuals advance their careers.

Number of Jobs in South Central Coast Region: 20,900

Table 1. Building and Design Career Pathways ²¹

| | Entry-Level | Mid-Level | Senior Level |
|--|---|---|--|
| Design and Pre-Construction <i>This segment includes the drafting, designing, and planning stages of the construction process</i> | <u>Architectural and Civil Drafters</u> Median Hourly Earnings: \$26.20 Typical Education: Associate's degree | <u>Project Management Specialists</u> Median Hourly Earnings: \$30.90 | <u>Civil Engineer</u> Median Hourly Earnings: \$50.44 Typical Education: Bachelor's degree |
| Construction <i>This segment includes the foundation work, wiring, and building process</i> | <u>Construction Laborers</u> Median Hourly Earnings: \$21.21 Typical Education: No formal education credential | <u>Electrician</u> Median Hourly Earnings: \$28.49 | <u>Construction Managers</u> Median Hourly Earnings: \$45.23 Typical Education: Bachelor's degree |
| Maintenance & Operations <i>This segment includes maintenance, repair, and operational activities required to maintain facilities and infrastructure</i> | <u>General Maintenance and Repair Workers</u> Median Hourly Earnings: \$19.33 Typical Education: High school diploma or equivalent | <u>First-Line Supervisors of Mechanics, Installers, and Repairers</u> Median Hourly Earnings: \$36.30 | <u>General and Operations Managers</u> Median Hourly Earnings: \$43.83 Typical Education: Bachelor's degree |

²¹ EMSI 2020.3

HEALTHCARE

The Healthcare industry cluster includes industries and firms that provide medical diagnoses and treatment and includes allied health roles. Table 2 showcases several pathways within the healthcare industry. All of these pathways offer accessible entry-points and strong opportunities to increase earnings.

Number of Jobs in South Central Coast Region: 40,500

Table 2. Healthcare Career Pathways ²²

| | Entry-Level | Mid-Level | Senior Level |
|--|--|---|---|
| Patient Services <i>This segment includes workers who attend and provide medical care to patients</i> | <u>Certified Nurse Assistant CNA</u> Median Hourly Earnings: \$17.05 Typical Education: Postsecondary nondegree award | <u>Licensed Practical and Licensed Vocational Nurses</u> Median Hourly Earnings: \$28.64 | <u>Registered Nurse</u> Median Hourly Earnings: \$50.48 Typical Education: Bachelor's degree |
| Medical Administration <i>This segment includes activities centered around the administration of healthcare activities</i> | <u>Medical Secretaries and Administrative Assistant</u> Median Hourly Earnings: \$19.68 Typical Education: High school diploma or equivalent | <u>Health Technologists and Technicians</u> Median Hourly Earnings: \$21.33 | <u>Administrative Services and Facilities Managers</u> Median Hourly Earnings: \$45.19 Typical Education: Bachelor's degree |

²² EMSI 2020.3

| | | | |
|--|---|---|--|
| Diagnostic Services <i>This segment works to find and diagnose the root causes of medical ailments</i> | <u>Medical Assistants</u> Median Hourly Earnings: \$18.13 Typical Education: Postsecondary nondegree award | <u>Radiological Technologists and Technicians</u> Median Hourly Earnings: \$39.82 | <u>Physician’s Assistant</u> Median Hourly Earnings: \$58.24 Typical Education: Master’s degree |
|--|---|---|--|

PROFESSIONAL AND BUSINESS SERVICES

Firms in Professional and Business Services industries provide a range of services, including legal, accounting, landscaping, consulting, and other specialty services. Each of the career pathways listed below in Table 3 has entry-points that are accessible with a high school diploma or community college certificate. Each pathway also has an opportunity for specialization and advancement, so workers entering the pathway can advance their careers as they develop their education and skillset.

Number of Jobs in South Central Coast Region: 41,911²³

Table 3. Professional and Business Services Career Pathways ²⁴

| | Entry-Level | Mid-Level | Senior Level |
|---|--|--|--|
| Legal <i>This segment includes careers that provide legal services to individuals and organizations</i> | <u>Legal Secretaries and Administrative Assistants</u> Median Hourly Earnings: \$22.67 Typical Education: High school diploma or equivalent | <u>Paralegals and Legal Assistants</u> Median Hourly Earnings: \$24.65 | <u>Lawyers</u> Median Hourly Earnings: \$54.43 Typical Education: Doctoral or professional degree |

²³ <https://www.labormarketinfo.edd.ca.gov/geography/regional-planning-units.html>

²⁴ EMSI 2020.3

| | | | |
|--|--|--|---|
| <p>Administrative <i>This segment includes the support and administrative services provided to a wide range of companies</i></p> | <p><u>Billing and Posting Clerk</u> Median Hourly Earnings: \$20.53 Typical Education: High school diploma or equivalent</p> | <p><u>Project Management Specialist</u> Median Hourly Earnings: \$30.90</p> | <p><u>General and Operations Managers</u> Median Hourly Earnings: \$43.83 Typical Education: Bachelor's degree</p> |
| <p>Accounting <i>This segment includes accounting, bookkeeping, and auditing services</i></p> | <p><u>Bookkeeping, Accounting, and Auditing Clerks</u> Median Hourly Earnings: \$23.48 Typical Education: High school diploma or equivalent</p> | <p><u>Project Management Specialists</u> Median Hourly Earnings: \$30.90</p> | <p><u>Accountants and Auditors</u> Median Hourly Earnings: \$35.01 Typical Education: Bachelor's degree</p> |

FINANCE, BANKING, INSURANCE, AND REAL ESTATE

The Finance, Insurance, Banking, and Real Estate industry cluster includes industries and firms that specialize in financial management and transactions, insurance and actuarial activities, and real estate transactions. The pathways presented in Table 4 offer a range of entry-points to interested job seekers and offer strong advancement opportunities.

Number of Jobs in South Central Coast Region: 10,500

Table 4. Finance, Banking, Insurance, and Real Estate (FIRE) Career Pathways ²⁵

| | Entry-Level | Mid-Level | Senior Level |
|---|---|--|--|
| <p>Banking <i>This segment includes the staff that work at banks, credit unions, and other financial institutions available to the public</i></p> | <p><u>Tellers</u> Median Hourly Earnings: \$16.86 Typical Education: High school diploma or equivalent</p> | <p><u>Loan Officer</u> Median Hourly Earnings: \$33.06</p> | <p><u>General and Operations Manager</u> Median Hourly Earnings: \$43.83 Typical Education: Bachelor's degree</p> |

²⁵ EMSI 2020.3

| | | | |
|---|--|--|--|
| <p>Real Estate <i>This segment includes activities centered around real estate transactions</i></p> | <p><u>Property, Real Estate, and Community Association Managers</u> Median Hourly Earnings: \$28.13 Typical Education: High school diploma or equivalent</p> | <p><u>Real Estate Sales Agent</u> Median Hourly Earnings: \$30.40</p> | <p><u>Real Estate Brokers</u> Median Hourly Earnings: \$60.49 Typical Education: High school diploma or equivalent</p> |
| <p>Insurance <i>This segment includes roles within the insurance industry</i></p> | <p><u>Insurance Claims and Policy Processing Clerks</u> Median Hourly Earnings: \$17.39 Typical Education: High school diploma or equivalent</p> | <p><u>Insurance Sales Agents</u> Median Hourly Earnings: \$24.63</p> | <p><u>Claims Adjusters, Examiners, and Investigators</u> Median Hourly Earnings: \$33.74 Typical Education: Bachelor’s degree</p> |

Growth Industries and Pathways

The following industry clusters and career pathways are highlighted because they employ a relatively small share of the workforce, but their recent growth, wages, and innovative fields make these industry clusters potential growth opportunities for the region. The South Central Coast RPU and partners are supporting these industry clusters and their employers through the Regional Equity and Recovery Program (RERP), working with regional community colleges to increase the number of individuals receiving training in the skills needed by local employers.

DEFENSE, AEROSPACE, AND TRANSPORTATION MANUFACTURING

Defense, Aerospace, and Transportation Manufacturing (DATM) has a growing footprint within the South Central Coast region. Much of the employment in this industry cluster is centered around the manufacturing of navigation and guidance systems, aircraft parts, and missile and space vehicle systems.

Number of Jobs in South Central Coast Region: 3,700

Table 5. Defense, Aerospace, and Transportation Manufacturing Career Pathways²⁶

| | Entry-Level | Mid-Level | Senior Level |
|---|---|--|--|
| Engineering <i>This sector includes the design, prototyping, and production of aerospace and defense goods.</i> | <u>Machinists</u> Median Hourly Earnings: \$20.84 Typical Education: High school diploma or equivalent | <u>Aircraft Structure, Surfaces, Rigging, and Systems Assemblers</u> Median Hourly Earnings: \$24.87 | <u>Aerospace Engineers</u> Median Hourly Earnings: \$56.09 Typical Education: Bachelor’s Degree |
| | Sales <i>This segment includes the sales and support services provided to the manufacturers</i> | <u>Parts Salespersons</u> Median Hourly Earnings: \$15.91 Typical Education: No formal education required | <u>Sales Representatives</u> Median Hourly Earnings: \$29.37 |

OTHER MANUFACTURING

Other Manufacturing is an industry cluster that includes a range of manufacturing activities, from plastics and metals production to textile and fabric finishing. Within the South Central Coast Region, Food Product Machinery Manufacturing and Farm Machinery and Equipment have notable growth in the years leading up to 2020.

²⁶ EMSI 2020.3

Number of Jobs in South Central Coast Region: 5,200

Table 6. Other Manufacturing Career Pathways²⁷

| | Entry-Level | Mid-Level | Senior Level |
|--|---|--|---|
| Production <i>This sector includes the design, prototyping, and production of industrial goods, such as farm equipment</i> | <u>Machinists</u> Median Hourly Earnings: \$20.84 Typical Education: High school diploma or equivalent | <u>Plating Machine Setters, Operators, and Tenders</u> Median Hourly Earnings: \$25.36 | <u>First-Line Supervisors of Production and Operating Workers</u> Median Hourly Earnings: \$32.95 Typical Education: High School Diploma |
| Sales <i>This segment includes the sales and support services provided to the manufacturers</i> | <u>Shipping, Receiving, and Inventory Clerks</u> Median Hourly Earnings: \$17.40 Typical Education: No formal education required | <u>Sales Representatives</u> Median Hourly Earnings: \$29.37 | <u>Sales Managers</u> Median Hourly Earnings: \$52.56 Typical Education: Bachelor’s degree |

Target Industry Occupational Gap Analysis

Comparing regional completions of education and training programs relative to the annual openings of corresponding occupations quickly illuminates potential training gaps in the South Central Coastal region.

As Table 7 highlights, several occupations within the Building and Design industry cluster have high rates of annual openings (i.e., openings available to job-seekers) relative to regional completions. There are approximately four and a half openings for every regional completion for Heating, Air Conditioning, and Refrigeration Mechanics and Installers. It is also important to note that some trainings—particularly if not recognized through the state’s Eligible Training Provider List or other accreditations—may not be included in these lists. Other occupations, such as Laborers, often do not have formal training programs.

²⁷ EMSI 2020.3

WIOA Regional Plan 2021-2024, 2 Year Modification
 South Central Coast Regional Planning Unit
 March 31, 2023

Table 7. Regional Supply and Demand for 20 Most Common Building and Design Occupations

| SOC Code | Description | 2019 Jobs | Avg. Annual Openings | Regional Completions²⁸ | Annual Openings per Completion |
|-----------------|--|------------------|-----------------------------|--|---------------------------------------|
| 43-9061 | Office Clerks, General | 6,725 | 1,124 | - | - |
| 43-6014 | Secretaries and Administrative Assistants, Except Legal, Medical, and Executive | 5,527 | 764 | 46 | 16.6 |
| 11-1021 | General and Operations Managers | 4,845 | 477 | 1,329 | 0.4 |
| 53-7062 | Laborers and Freight, Stock, and Material Movers, Hand | 4,099 | 736 | - | - |
| 43-3031 | Bookkeeping, Accounting, and Auditing Clerks | 3,977 | 501 | 55 | 9.1 |
| 41-4012 | Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products | 2,366 | 312 | 78 | 4.0 |
| 47-2061 | Construction Laborers | 2,331 | 315 | - | - |
| 47-2031 | Carpenters | 2,012 | 274 | - | - |
| 41-3091 | Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel | 1,993 | 325 | 5 | 65.1 |
| 47-2111 | Electricians | 1,286 | 182 | 13 | 14.0 |
| 47-2141 | Painters, Construction and Maintenance | 1,144 | 158 | - | - |
| 47-2152 | Plumbers, Pipefitters, and Steamfitters | 1,108 | 176 | - | - |
| 47-1011 | First-Line Supervisors of Construction Trades and Extraction Workers | 1,037 | 131 | 27 | 4.9 |
| 11-9021 | Construction Managers | 679 | 70 | 1,364 | 0.1 |
| 47-2051 | Cement Masons and Concrete Finishers | 493 | 66 | - | - |
| 13-1051 | Cost Estimators | 436 | 53 | 1,711 | 0.0 |
| 49-9021 | Heating, Air Conditioning, and Refrigeration Mechanics and Installers | 432 | 63 | 14 | 4.5 |
| 47-2081 | Drywall and Ceiling Tile Installers | 426 | 63 | - | - |
| 47-2181 | Roofers | 421 | 60 | - | - |
| 47-2161 | Plasterers and Stucco Masons | 213 | 35 | - | - |

A substantial number of Healthcare occupations have more annual openings than annual regional completions in relevant education and training programs. Some of these occupations

²⁸ Regional completions and openings are matched by a Classification of Instructional Programs (CIP) and Standard Occupation Code (SOC) crosswalk developed by the Department of Education. Regional completions are aggregated and tabulated by EMSI.

include Nursing Assistants, Medical Secretaries and Administrative Assistants, Dental Assistants, Dental Hygienists, and Physical Therapists (Table 8).

Table 8. Regional Supply and Demand for 20 Most Common Healthcare Occupations

| SOC Code | Description | 2019 Jobs | Avg. Annual Openings | Regional Completions | Annual Openings per Completion |
|-----------------|---|------------------|-----------------------------|-----------------------------|---------------------------------------|
| 31-1128 | Home Health and Personal Care Aides | 7,513 | 1,347 | 111 | 12.1 |
| 43-9061 | Office Clerks, General | 6,725 | 1,124 | - | - |
| 43-6014 | Secretaries and Administrative Assistants, Except Legal, Medical, and Executive | 5,527 | 764 | 46 | 16.6 |
| 29-1141 | Registered Nurses | 5,015 | 390 | 236 | 1.7 |
| 37-2012 | Maids and Housekeeping Cleaners | 4,000 | 579 | - | - |
| 43-1011 | First-Line Supervisors of Office and Administrative Support Workers | 2,702 | 302 | 4 | 75.5 |
| 43-4171 | Receptionists and Information Clerks | 2,250 | 324 | - | - |
| 31-9092 | Medical Assistants | 2,095 | 298 | 344 | 0.9 |
| 31-1131 | Nursing Assistants | 1,966 | 243 | 149 | 1.6 |
| 43-6013 | Medical Secretaries and Administrative Assistants | 1,741 | 244 | 83 | 2.9 |
| 29-2061 | Licensed Practical and Licensed Vocational Nurses | 1,179 | 129 | 140 | 0.9 |
| 31-9091 | Dental Assistants | 1,082 | 147 | 44 | 3.3 |
| 21-1093 | Social and Human Service Assistants | 945 | 146 | 22 | 6.7 |
| 43-3021 | Billing and Posting Clerks | 840 | 111 | 55 | 2.0 |
| 11-9111 | Medical and Health Services Managers | 750 | 94 | - | - |
| 29-1228 | Physicians, All Other; and Ophthalmologists, Except Pediatric | 599 | 37 | 98 | 0.4 |
| 11-9151 | Social and Community Service Managers | 547 | 80 | 1,274 | 0.1 |
| 21-1018 | Substance Abuse, Behavioral Disorder, and Mental Health Counselors | 478 | 65 | 119 | 0.5 |
| 29-1292 | Dental Hygienists | 388 | 33 | 1 | 32.7 |
| 29-1123 | Physical Therapists | 320 | 17 | 1 | 17.3 |

Regional Indicators

- *Identify which of the four regional indicators the RPU established objective metrics under RPI 4.0, and what those metrics were.*
- *Identify any anticipated impacts that tracking and evaluating the regionally agreed upon metrics will have on each of RPU's local workforce service delivery system (e.g. change in service strategies, improved participant outcomes, new partner engagement, etc.)*

Over the last year and a half of the newly formed South Central Coast RPU's existence, the SLO and SB WDB's have been working on a number of regional initiatives and have defined metrics that would be useful to their work. These metrics fall under three of the state's definitions for regional indicators. The RPU's strategic priorities include the following:

The region has a process to communicate industry workforce needs to supply-side partners:

The SLO and SB WDB's are partnering together on a number of efforts, including a Jump Start Modern Apprenticeship grant to promote apprenticeships for IT, Manufacturing, and Early Childhood Education; changes at the Diablo nuclear power plant; and the RERP grant working with community college partners. Each of these projects will require the WDBs to work with local employers and to identify industry workforce needs, as well as possible training providers to meet those needs. Therefore, the RPU is setting a goal to develop a more formalized process for bringing those two sides together in order to ensure that industry workforce needs are communicated to supply-side partners. The anticipated impact would be a better alignment of workforce training content with the needs of regional employers. Timeline: July 2022 – Dec 2025.

The region has policies supporting equity and strives to improve job quality:

The RPU is committed to advancing equity within the workforce system and supporting job seekers toward high quality employment. Under RPI 4.0, the RPU employed a student intern who completed a landscape analysis and developed an equity toolkit to be shared with and used by local employers. The toolkit contains bite sized, actionable components for any business looking for tips on how to diversify their workforce, including suggested recruiting strategies, sample interview questions, and social media ready postings. The WDBs of the RPU will continue to promote this toolkit in their interactions with local businesses and other business groups, including the Business Engagement Roundtable. In addition to utilizing the toolkit, the RPU will explore developing a regional jobs quality definition. The anticipated impact would be improving local businesses' ability to fill their workforce needs from a diverse and qualified talent pool. Timeline: January 2023 – December 2024.

The region has shared target populations of emphasis:

Under RPI 4.0, the WDBs partnered together to serve individuals with low digital literacy skills. The pandemic accelerated the need for all job seekers to have basic digital skills for successful job search as well as employment. Although the RPU experienced some difficulty with rolling out those efforts under RPI 4.0, momentum has been building and those efforts will continue under RERP. The WDBs also have a number of initiatives under way to serve justice-involved individuals as well as English Language Learners (ELL). The RPU has the goal of sharing best practices learned from these efforts, with the anticipated impact being that future efforts will be more effective in serving these target populations. For example, the next round of P2E funding will be rolled out in a way that takes into account lessons learned from previous grants to serve justice-involved individuals (P2E Round 1; DOL Pathway Home Grant). Timeline: January 2023 – December 2024.

| AREA | GOAL | METRIC | TIMELINE |
|--|---|---|------------------------------|
| Communicating industry workforce needs | Develop process for bringing industry and supply side partners together, through various regional initiatives | Written process with key steps for ensuring effective communication of industry workforce needs | July 2022 – Dec 2025 |
| Equity and job quality | Utilize Equity Toolkit with region's businesses | Number of groups/businesses who benefit from various components of the Toolkit; social media postings with content from Toolkit | January 2023 – December 2024 |
| Equity and job quality | Develop regional Jobs Quality definition | Written and approved regional Jobs Quality definition | January 2023 – December 2024 |
| Shared target populations | Sharing of best practices | Future initiatives take best practices into their program design | January 2023 – December 2024 |

Fostering Demand-Driven Skills Attainment

- *Identify the in-demand industry sectors or occupations for the region. (See above)*
- *Describe any current sector-based initiatives being implemented by the RPU for regionally in-demand industries or occupations and what, if any, new sector-based initiatives are planned for the next two years. (Current plan highlights Building and Design and Healthcare, + Finance, Insurance, Banking, and Real Estate; Professional/Business Services. But doesn't discuss any initiatives – it's all labor market data. Tables with entry/mid/senior level jobs – I guess those are "pathways" but no discussion of where to get training. Even more sectors listed as "growth industries" – Defense, Aerospace and Transportation Manufacturing; Other Manufacturing)*

The South Central Coast RPU serves as a link between regional employers and regional education and training providers. Direct communications between these two parties eliminates guesswork, expedites the process of developing or adapting curriculum, and assures employers that students are prepared for their roles. The RPU also sponsors events like career fairs to help students network with regional employers and learn about industry dynamics.

Focusing on opportunities that provide workers with sustainable wages and upward career mobility in established and growing sectors is a top priority of the RPU, and connecting job-seekers and High Road opportunities and employers will play a crucial role in the South Central Coast Region's recovery from the COVID-19 pandemic.

The South Central Coast RPU will be working with community college partners on the sector-based Regional Equity and Recovery Program (RERP) Initiative over the next two years. The RPU shares the regional problem of a low labor force participation rate (LFPR) post-pandemic, impacting the ability of local businesses to find and retain talent. The Santa Barbara County Workforce Development Board (SBCWDB) partnered with BW Research to evaluate how labor force participation is changing in the region and the impact it could have on the county. The research (April 2022) examined the broader national and international labor force participation trends and what those mean for trends in Santa Barbara and the Central Coast. Although the study focused on Santa Barbara County and its businesses, the findings by and large apply to San Luis Obispo County as well. The WDBs are considering issuing an RFP for an updated study which would include both counties.

As the Central Coast economy has moved out from under the challenges brought on by the pandemic, a new real challenge has emerged: the ability to find and hire qualified workers who are willing and able to work. As economic regions become more dynamic, the need for agile, available talent to support new or growing businesses only grows in importance. Despite rising interest rates and a potential slow down, the region's businesses continue to struggle to meet their workforce needs.

Based on a random survey of Santa Barbara residents and a qualitative survey of Santa Barbara businesses, BW Research found the following:

Two in five current Santa Barbara County businesses expect to increase employment over the next 12 months: Overall, county businesses were relatively optimistic about growth and hiring within Santa Barbara County. Of the current businesses that responded to the survey, they expect to increase total employment by eight percent over the next 12 months, on average. They were also relatively positive about the business climate with three in five indicating it was excellent or good, and only one in ten saying it was poor or very poor.

Finding qualified workers presents at least some difficulty for a majority of Santa Barbara County businesses: Like the pandemic itself, not all businesses are having the same challenge finding and recruiting qualified workers. For about a quarter of Santa Barbara County businesses, finding and recruiting qualified entry or non-entry level workers is very difficult, while for an equal percentage stated it is not difficult at all.

One of the key recommendations for the WDB to come out of the BW Research report was to identify and educate jobseekers and transitioning workers on career pathways in higher paying industries or higher paying occupations within their industry. More than three out of five Santa Barbara County adult resident respondents, who were either working or looking for work, indicated they were no longer willing to work in a job they did not see a good future in. Almost half of adult respondents, who are working or looking for work, indicated they are currently looking for a new industry or career pathway so they can better afford to live and work in the community. Again, younger adult respondents were even more likely to agree with that sentiment. These results indicate that a high proportion of Santa Barbara County residents are hungry for a career pathway that can provide them with a sustainable wage in the county. The Workforce Development Boards could assist these efforts by working with employers to identify the career pathways that are available in the region and sharing this information to job seekers and potential labor market entrants.

Furthermore, the report recommended expanding the pool of potential workers. As unemployment rates approach the pre-pandemic lows seen in 2019, expanding the labor force is an important potential remedy for talent shortages. There are several populations that typically have lower labor force participation rates because of barriers they face. Removing those barriers may help those workers enter the workforce. These populations include parents with young children, those with lower educational attainment, formerly incarcerated, and long-term unemployed and discouraged workers, among others. Working to help these individuals overcome their barriers to work is the first step which will require close partnership with community-based organizations (CBOs) and other support systems. The second step will be attracting these individuals into the workforce. Close partnerships between CBOs and training providers may assist individuals in accessing training that is best suited to their needs and goals.

The Workforce Development Boards and their community college partners plan to collaboratively address the above challenges by a coordinated and intensified focus on driving job seekers to the training opportunities that lead to in demand occupations with career pathways. The colleges face enrollment challenges and the WDBs will work with them to target recruitment with priority populations. Colleges are also unable to fund paid work experience such as internships or OJTs, something that the WDBs can provide to enhance learning and training-related employment outcomes. Partners agreed to train a minimum of 121 individuals in in-demand, middle wage occupations with career pathways. This will be accomplished through close collaboration with community college partners, comprehensive case management and wrap around services, and strategic outreach to target populations. Training is available for occupations in Healthcare; Building and Design; Manufacturing; Logistics; Education and Knowledge Creation (including ECE); Professional and Business Services; and Information and Communications.

- *Describe what processes or strategies the RPU uses to communicate effectively and cohesively with regional employers.*

The South Central Coast RPU has used its first year and a half as an RPU to identify in-demand industry sectors and to further develop relationships with employer groups. The RPU has a working partnership with the Regional Economic Action Coalition (REACH), a Central Coast private-sector-led regional economic development entity serving the local partners, which is serving as a lead agency for the Community Economic Resilience Fund (CERF) for CERF-defined six-county region. The RPU also continues to work with K-12 education through the County Offices of Education in San Luis Obispo and Santa Barbara counties. The offices of education are the recipients of a regional K-12 Strong Workforce grant, which includes developing career pathways in K-12 education that align with the region's in-demand industries. Working with these K-12 partners will help strengthen the pipeline of regional workers in those target industries.

As detailed previously, the RPU plans to continue working with its community colleges, including the colleges' Strong Workforce initiatives to align career pathways with priority industries and occupations. The South Central Coast RPU also acts as a regional connector, bringing community colleges and industry groups together and facilitating career fairs, advisory committees, and building relationships between industry and supply-side trainers and educators. One recent shift has been an effort to better equip businesses and employees with knowledge and skills to do their jobs better—in the case of small retailers, workers are expected to do more than merely show up and turn the lights on. The modern world of work requires greater flexibility and new skillsets, and the RPU is working with partners to help ensure workers are prepared for this new world.

Enabling Upward Mobility for All Californians

Job quality and upward mobility have even greater importance in a region like the South Central Coast region with high costs of living and a high proportion of lower-skill and lower-wage workers. Improving job quality and the ability for upward career progression for those in entry-level roles will be essential determinants of the South Central Coast region's recovery from the COVID pandemic. This section of the Regional Plan focuses on how the South Central Coast can improve economic security for its residents through support and collaboration with High Road employers and improving accessibility to High Road jobs for historically underserved populations.

The pandemic accelerated the need for job seekers and workers to use digital communications, such as video conferencing, Microsoft Suite, Adobe, and shared drive/cloud-based documents. Basic computer skills and digital literacy in software products continues to grow as an in-demand skill for even entry level employment opportunities. This knowledge is also key to supporting workers with up-skilling to be able to obtain advancement/promotion opportunities in the workplace. To the increased need of these skills, the RPU's 4.0 Slingshot grant instituted Digital Literacy workshops provided by contract instructors with expertise in the in-demand software products and computer skills sought by employers. These workshops are offered as an universal service in our AJCCs. Although there were some delays caused by procurement challenges, subsequent COVID outbreaks and lingering reluctance for in-person interactions, the RPU is well positioned to continue these efforts over the next two years, building on lessons learned and relationships that are now established.

- *How the RPU defines job quality and prioritizes work with employers who provide quality jobs. (last plan has table on Tier 1/2/3 occupations; job volatility)*

Throughout this plan, several industry clusters and career pathways are highlighted. The South Central Coast RPU prioritizes training programs within these select industry clusters and career pathways so that participants are prepared for quality jobs, regardless of the employer. Both WDBs prioritize working with employers that offer jobs with good wages and benefits and that have a history of investing in and supporting employees' ongoing training and advancement. In addition to sustainable wages and benefits, the RPU seeks to partner with employers that provide: paid sick and family leave, paid medical leave/short-term disability, adequate hours and predictable schedules with advance notice.

Improving job quality in the region--and helping job seekers find and prioritize trainings that will allow them to access High Road jobs--is a primary goal of the South Central Coast RPU. This support starts by identifying regional industries and occupations that provide quality jobs through this regional planning process. The RPU has conducted multiple research projects that examined key industry clusters and accompanying career pathways that offer entry points to

High Road jobs. This research has also included targeted outreach to and strengthened relationships with targeted employers.

The RPU is also planning to developing a regional definition of a high-quality job, which will help guide workforce efforts throughout the region. The region will review the former regional job quality definition currently in draft and identify ways to adapt the existing document into a job quality statement specific to the region.

The RPU is also currently participating in an SB-1 grant, along with Ventura County, to develop and implement pre-apprenticeship training programs that lead into registered apprenticeship programs of the Building and Design trades. This grant—along with a recently awarded High-Road Training Partnership Grant—demonstrates the region’s commitment to working within and beyond the region’s geographic boundaries, alignment with the Building and Construction Trades Council for the region, and support for a pathway into registered apprenticeship programs that are proven to lead to quality jobs. The South Central Coast region has also partnered with relevant stakeholders to apply for a third High Road Training Partnership grant for road construction careers.

- *How the RPU works together to develop targeted service strategies for the region's unserved and underserved communities.*

The RPU has several programs underway and some under development that work to expand opportunities to historically underserved populations.

The region’s first regional grant project, applied for through Regional Plan Implementation (RPI) 4.0 funds, included addressing digital equity and aiming to address areas with unreliable or no internet access, which has shown to be a significant barrier during this time of transition to remote work and learning. Data also shows that this barrier disproportionately impacts communities living in poverty or rural areas. The next phase of this effort includes bringing mobile laptop units to more remote areas of the region to provide “pop up” workshops for individuals that have a hard time traveling to the AJCCs.

As part of RPI 4.0, the region also conducted a feasibility study on upwardly mobile pathways, particularly for Black and minority youth, in county and city governments and non-profits. This research aimed to identify strategies to help individuals into occupations that offer living wages and pathways into management, and to get people involved in their communities. This work further evolved into the Equity Toolkit for employers, described earlier.

Additionally, the region is currently participating in the SB1 grant, which targets priority populations including women, disadvantaged youth, veterans, justice-involved individuals, and individuals of color or minority populations and helps them enter into pathways in building and

construction trades through registered apprenticeship programs. The County Office of Education in San Luis Obispo County conducted digital outreach to specific populations and communities based on their social media profile on behalf of the region and including Ventura County. An analysis was conducted using key words to reach veterans, women and people of color. Performance reflects success in diversifying the demographics in the trades, especially women.

The San Luis Obispo and Santa Barbara WDB's also are the recipients of other grants targeted at particular communities – currently including a Department of Labor Pathway Home grant for justice involved individuals and a Department of Labor CAREER grant to serve English Language Learners, both in Santa Barbara County. The RPU will benefit from learning about and incorporating best practices that come out of these initiatives.

- *How the RPU defines equity and how it ensures equal access to the regional sector pathways, earn-and-learn opportunities, supportive services, and other effective service strategies identified by the RPU.*

The RPU defines equity as equity as ensuring that programs and services do not disadvantage or limit access, training, or employment opportunities based on race, ethnicity, gender identity, housing status, age, disability, sexual orientation, immigration status, country of origin, language or justice system involvement.

At the heart of the work of the RPU is the goal of moving unemployed and underemployed individuals, particularly those with barriers to employment, into jobs offering sustainable wages, advancement opportunities and benefits. Each WDB is involved in on-going discussions with stakeholders regarding systemic inequalities, and how the workforce system should be responding post-pandemic in order to promote equity and inclusion. Efforts to ensure programmatic and physical accessibility include bilingual services; specialized outreach to target populations; working with community partners embedded in those communities; staff training on working with target populations in a culturally appropriate and respectful manner; and the selection of service providers who will work to ensure equal access to regional sector pathways, earn-and-learn opportunities, and supportive services. The RPU is committed to advancing workforce equity through our programs and services by addressing beliefs, policies, institutions, and systems which may have limited employment opportunities and success for some individuals in the past.

Aligning, Coordinating, and Integrating Programs and Services

- *Any regional service strategies, including the use of cooperative service delivery agreements or Memorandums of Understanding (MOU).*
- *Any regional administrative cost arrangements, including the pooling of funds for regional administrative costs.*

Regional service strategies are conducted through and for the grants awarded for the two workforce boards in the region and in many cases, also including Ventura County. These projects leverage local efforts which are shared in the constant communication and collaboration required to ensure successful performance of these contracts. These include High Road Construction Careers grants, SB1, apprenticeship and other grants funded to SLO partners, a non-profit arm of the County Office of Education.

Regional funds have been pulled for joint efforts among the workforce boards and occasionally, clients have been referred if one area's training funds are short. No formal administrative collaboration has yet occurred but a discussion is underway regarding a shared procurement strategy.

DRAFT

Signature Page

By signing below, the Local Board Chairs request approval of the South Central Coast's 2021-24 Regional Plan.

Local Board Chairs

Local Board Chairs

Signature

Signature

Isiah Gomer

Sandra Dickerson

Name

Name

San Luis Obispo County Workforce
Development Board Chair

Santa Barbara County
Workforce Development Board
Chair

Title

Title

Date

Date