Overview on Local Supply and Demand for Hospitality and Culinary Services Program

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Overall, the data suggest no need for another hospitality or culinary arts programs in Montana or within the NW region. Additionally, the program proposal fails to provide compelling evidence of a need. Below is a summary of data on the local supply and demand for hospitality and culinary services with key questions that should be answered by the program proposal representatives.

Hospitality Program

1) There are 82 existing hospitality programs in the rocky mountain and west regions (IPEDS data). It is unlikely that 100 out-of-state students would be attracted to a new hospitality program at MSU as these students can choose from 82 established programs within the region. Suggesting that mountains or Montana would attract them is doubtful – these regions all have outdoor amnesties, including mountains.

2) At a national level, there are 2,384 excess hospitality graduates than jobs over the next ten years (BLS occupational outlook handbook and IPEDS data). This is a lower-bound estimate of the 465 existing US hospitality programs (IPEDS). If existing programs continue to grow at their current projection of an additional 300 graduates per year (IPEDS data), the excess supply could be as high as 5,000 graduates, making employment outlooks dire.

3) The proposal’s Montana accommodation and food services employment number of 950 new jobs annually do not correspond with the Bureau of Labor Statistics Occupational forecasts and Montana tourism data that suggest Montana demands 3 additional lodging managers per year over the next ten years that require a BA degree and 17 additional food service managers. 950 new jobs are more than the occupational handbook suggests at the national level for those with the required education established by this program. It is likely 950 jobs are counting employment that do not require a BA in hospitality services or an AS in culinary arts and should not be used to support this proposal.

4) The hotels listed in potential partners are predominately budget-conscious hotels without the need for specialized training in hospitality. Many of our students are already in supervisory and management positions. Hospitality management majors will be in direct competition with the COB management majors and economics majors for many jobs.
Hospitality program questions that should be answered

1) There already exist two hospitality programs in the MSU system. Is there evidence of a need for more hospitality programs, such as a letter of support from these programs attesting to such a need?

2) How are the future graduates of the MSU hospitality program able to obtain viable employment given such substantial excess supply at the national level?

3) Proposal suggests that student gains in the major would not be a zero sum game. Are there letters of support from COB and Economics indicating 1) this program would attract new students and not simply transfer existing students to hospitality, and 2) minimal overlap in employment outlooks?

4) How is it possible to attract 100 out-of-state students with 2 existing hospitality programs in Montana and 82 in the rocky mountain and west regions?

Culinary Arts Program

1) The proposal’s own employment outlook estimate suggests that NW regional culinary demand is -17.5%. This is below, but in-line with national estimates.

2) There are 2 culinary programs in Montana and 113 culinary programs in the rocky mountain and west regions (IPEDS data). It is unlikely that there will be much demand for this program outside Gallatin valley.

3) In the follow-up comments, the MT culinary art employment numbers do not correspond with the Bureau of Labor Statistics Occupational forecast which suggests Montana demands 17 additional food service managers per year over the next ten years that require an AS degree. It is likely jobs that do not require an AS in food services were included, such as chefs. A mid-career chef earns $9.88 per hour (with starting wages even lower).

Culinary program questions that should be answered:

1) Are there capacity constraints at the two existing MT culinary arts programs that require MSU to fill in the gap? Demonstration of such constraint could be provided with letters of support attesting to this need.

2) Why is this program being put forward with a -17.5% employment trajectory in the NW region?

3) Why is an AS degree being put forward that permits earnings of $10-$11 per hour? Shouldn’t we, as an institution, discourage students from taking such an investment with little employment gains over their lifetime?
New School, 6 FTEs, $617K in start-up costs, and overall proposal

1) Program proposals in recent years that have been approved asked for very little in the way of start-up and new FTEs. For example, Financial Engineering received 0 FTEs and Nursing requested 2 FTEs for faculty and .5 FTE for staff. Both had minimum or no start-up funds. Both had demonstrated national and local demand for graduates. This proposal appears well outside recent proposal requests.

2) The program does not provide evidence of established need for more administrators.

3) The program does not provide evidence of established demand for the program.

4) No classes were piloted to gauge whether forecasts were accurate. Financial engineering courses were offered for two years prior to program proposal to assess need.

Overall proposal questions that should be answered

1) Why isn’t any demonstration of need established prior to requesting $617K in start-up and 6 FTEs?

2) If 6 FTEs and $617K in funds exist, shouldn’t a larger evaluation and discussion of need across campus be analyzed? Should all of these resources be sunk into one new program with substantial institutional competition and poor employment outlooks for graduates? Is this a part of a larger rollout of FTEs and funds across campus? If not, then this program is taking the lion’s share of new resources.

3) Why wasn’t any pilot classes undertaken to demonstrate some need for the program?

4) It was indicated that there will be financial support from the private sector. However, no names or amounts have been provided. Who are these firms or associations and how much will they be pledging?