

# **Analysis on why Cal Poly CM Students Don't Pursue Employment In the Central Coast.**

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The Cal Poly, San Luis Obispo Construction Management program is one of the best in the nation. With nearly 100% of its undergraduate students having a job set in place before graduation, it is interesting seeing students pass on the opportunity to stay and work in the area in which they are taught about the profession. There are many local builders in the Central Coast that are looking for new-hires, and with all the new developments starting up in nearby cities, as in San Luis Obispo; newly graduates are choosing instead to look and go elsewhere to start their careers in the industry. There seems to be a disconnect between the Construction Management students and local builders in the area; However, if communication is established, and relationships are built, then this could result to students choosing to stay as opposed to leave. This would in turn, help stimulate and grow the local economy, making it possible for more construction projects, and opportunities to flourish. The question here is, what have been the common misconceptions, and factors that have resulted to students searching for employment upon graduation elsewhere and not in the central coast. Surveying the current undergraduate Construction Management students and reaching out to local well-known builders are ways in which this information can be attained. The results would benefit both parties in that it could lead the way to bridging the gap between the program and builders in the community. It would also open doors to students and newly graduates to stay.

Key Words: Small Town, Employment-Growth, Construction-Growth, Incentives

## **Introduction**

San Luis Obispo County is a small coastal community nestled right in the coast and is halfway between The Bay area and Southern California area. The Mountains and beaches support many kinds of activities for those who enjoy the outdoors. Aside from the leisure activities The great weather promotes the viticulture economy which brings in tourism. The Wine industry alone, brings in about millions of dollars yearly, making San Luis Obispo County the third largest wine producing area in California ( source). Couple this with also having California Polytechnic State University, one of the top schools in California and in the nation in San Luis Obispo itself, you end up having a city and county that maintains its economy with the students, tourism and agriculture.

For retirees and families, this area is a perfect place to call home, however the younger generation finds it harder to walk to stay and start their careers here. Construction Management students in particular, have found it challenging to find reasons for staying as opposed to going back home and working there. As a student from Southern California, i too thought the same way. Studying in one of the top programs for Construction Management, students in the

program are taught mostly to focus on large commercial-based companies, and to pursue careers with the companies that come recruit every other day. The program has a very strong alumni and networking program with companies from all over California and the nation in Construction Management. These companies come recruit weekly for interns, and statistically 99% of all Cal Poly CM students end up signing and with jobs before they even graduate. Many of these companies are located in areas like Southern and Northern California, in metropolitan cities such as San Francisco. The work they specialize for the most part end up being Commercial based, so as students we are used to seeing and learning about this on a daily.

Knowing what could be offered if recently graduated students were to stay in a small town such as San Luis Obispo or surrounding towns alike for example then becomes a challenge because the information is not blatantly there. As a full time working student, I supported myself by working, and it wasn't until when i went in search of a job in the community within the field of construction that I realized all the opportunities small town builders could offer. There is an assumption that small towns don't provide as many opportunities career wise as a bigger city would, but one could argue, that small towns give one the opportunity to take on more ownership and responsibility of the work being done because you are less of a number in a smaller business. In order to get an understanding from the students in the Construction Management department, as to why they would not pursue careers in the San Luis Obispo area, I interviewed a well known construction company to get their view on this situation as well as compare it to the student survey question i sent out in a survey. I hope more transparency is shown with the efforts of the results so that further work can be done to bridge the gap between the students and local construction community.

## **Methodology**

The primary methodology I choose was an analysis of quantitative data taken from a survey I sent out to the Construction Management student population. As well, I included qualitative data I received through interviewing the Project Manager and Senior Project Manager of XYZ Builders (name left out for discretion) regarding what they think about the Construction Climate of San Luis Obispo County and lack of student professionals in the area for that given field. Together I have analyzed the results from both the quantitative and qualitative data and incorporated quotes from the interview as well as graphs from the survey. This information will be relevant for construction companies and students alike in the area, because it covers and goes over misconceptions about both parties in this community. It opens up the door for more research to be done; such as, for students to continue pursuing an interest in learning about local companies as well as for the later to reach out and come out to Cal Poly for presentations. With my analysis I hope other companies and students alike can inform themselves on the possibilities that the Central Coast offers. Ultimately, to establish strong relationships between the two groups.

## **Results**

For privacy purposes, the company interviewed will be called company XYZ. The

Project Manager I interviewed made a comment on how he finds it “interesting given that the CM program is so well known and taught, that the students would not choose to stay and work locally given how often you hear them say they love the program and area” (Project Manager- XYZ Builders 2018). This stuck out to me because you hear that a lot often amongst the students; they mention how they love the area, enjoy the program, but once asked who they will be interning or working for, they mention a company that is all too familiar with instead of a local one. It was mentioned during the interview that students don’t go out of their way to reach out to local builders in the County despite there being plenty of employment opportunities, as well as how many local builders, big and small alike don’t put in the efforts of reaching out to them. “It is mostly due to competition” said the Assistant Project Manager. “Since all you hear students talk about are these big name builders coming into town for interviews, many of the local builders don’t find it within themselves to also sign up to speak about their company and what they have to offer due to them thinking the students won’t be interested in the type of construction work and monetary incentives they offer” (Assistant Project Manager- XYZ Builders 2018).

	VERY FAMILIAR	FAMILIAR	SOMEWHAT FAMILIAR	NOT VERY FAMILIAR	NOT AT ALL
Response	2.17% 1	15.22% 7	19.57% 9	50.00% 23	13.04% 6

*Figure 1 - Cal Poly’s Construction Management Undergraduate response to familiarity of Builders in the San Luis Obispo County*

*Source- Student Survey*

It is clear, that mostly all of the students responded to them not knowing little to anything at all about local companies in the area. One way to mitigating this problem would be by having the department reach out to more local builders making it known that they are interested in having them reach out to the program and the students.

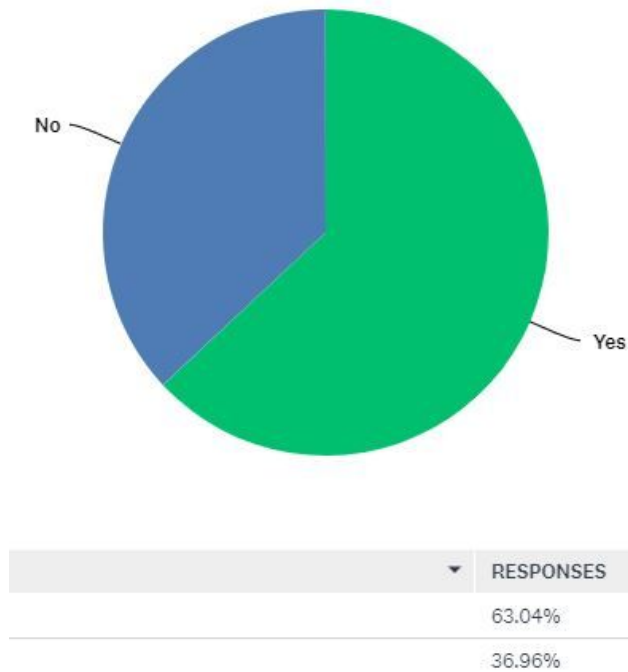
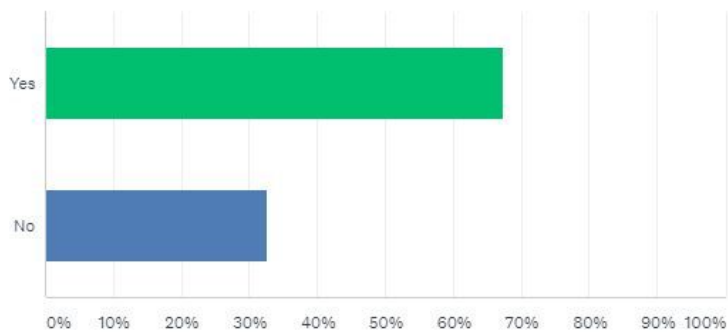


Figure 2 Cal Poly's Construction Management Undergraduate response to wanting to live in San Luis Obispo County after graduation.

Source- Student Survey



ANSWER CHOICES	RESPONSES
Yes	67.39%
No	32.61%
TOTAL	

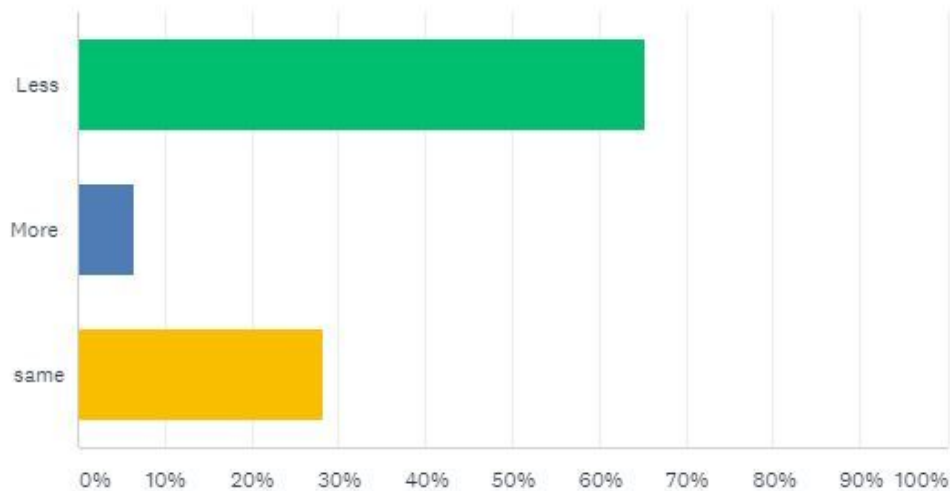
Figure 3 - Cal Poly's Construction Management Undergraduate response to accepting a job offer for Construction Management in San Luis Obispo County after graduation.

Source- Student Survey

Figure two and three alike, shows the possible opportunities the local builders could get with the Cal Poly students, if communication between both parties was better established. When asking the students, if they were interested in staying in the area after graduation as well as accepting an offer to work, over fifty percent of the students surveyed responded with a yes. Similarly, just like how students have misconceptions on the construction climate in the area, so too do the builders with regards to students interests.

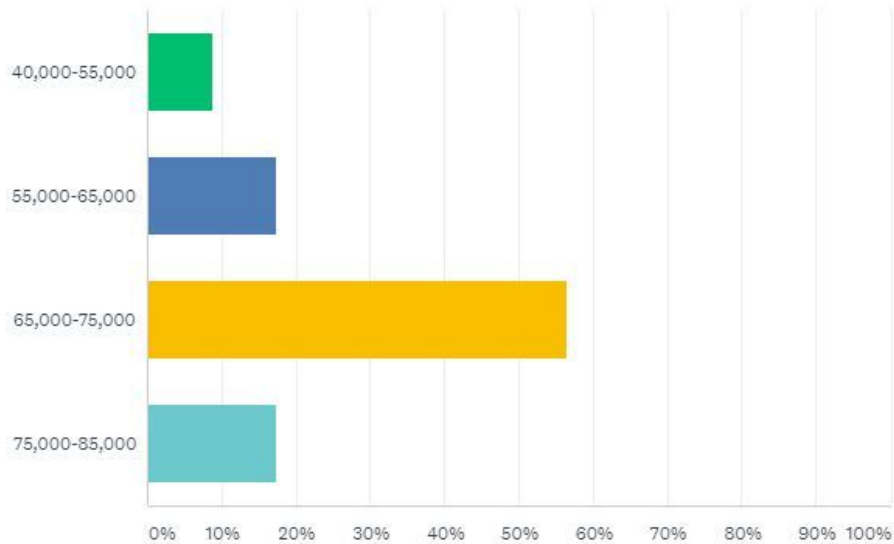
San Luis Obispo County is not too far off the margins to what someone could make salary wise, compared to Northern and Southern California. For instance XYZ Builder stated that the starting salary for an entry level Project Engineer position with their company as well as many of the top local companies would be around \$65,000 to start. This is not limited or including other added benefits such as healthcare, 401k, yearly bonuses ( XYZ interview 2018). When looking up the average salary income for locals in the San Luis Obispo County, According to the United States Census Bureau it came out to be an average of about \$64,014. This median income is not bad for an entry level position, especially if you take into considerations cost of living, and additional bills that can come up.

When presented with the very same question to the students, many had the notion that they would not make as much money in the area, compared to their native hometowns of Northern or Southern California.



*Figure 4- Cal Poly's Construction Management Undergraduate response to their thoughts if they would make more or less in the Construction industry starting in San Luis Obispo County after graduation.*

*Source- Student Survey*



*Figure 5- Cal Poly's Construction Management Undergraduate response to estimate on the average entry level salary for Project Engineering Position after graduation.*

*Source- Student Survey*

Not only does the data prove that students have this misconception that working in a small town would result in less pay, but the data gathered from the Census as well as from XYZ builders asserts the fact that the starting entry level pay is within the average of what students would be making everywhere else. It also shows that despite the county being smaller than those with larger cities, the median salary competes with the big towns. Towns like Los Angeles and San Francisco range from \$52,952 to \$87,201 with Orange County being the median of \$78,145. While salary is much higher to start in two out of the three locations, students need to consider other factors like the additional costs of living, traffic, cost of gas ( Census ). The Bureau also provides information on monthly rent which range from \$2,114 for San Luis Obispo County to \$3,217 in the Bay area. One perk about the central coast would be the ease with traffic, and flexibility with rent. Given that it is a college town, a student could potentially save a lot of money because sharing a lease makes it easier financially. It doesn't matter as much if you are making almost four grand a month in the Bay Area, if more than half of the monthly salary will be going to rent.

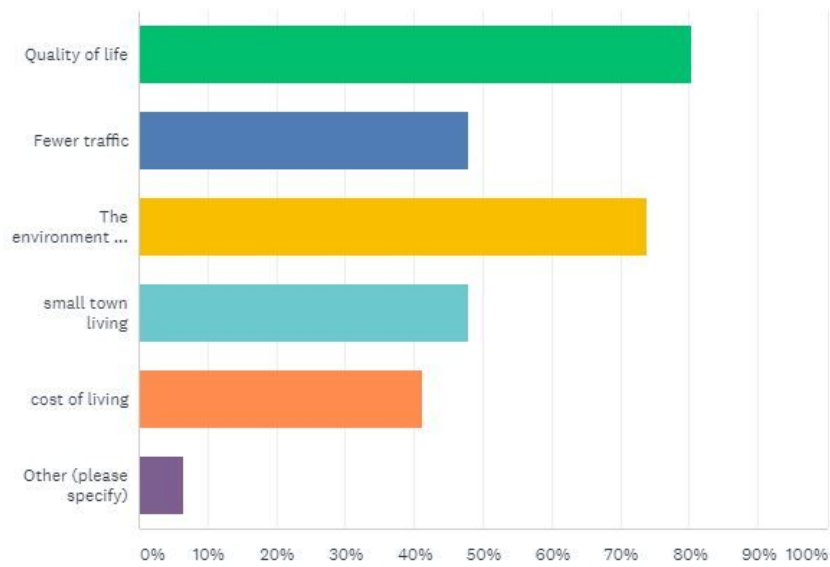
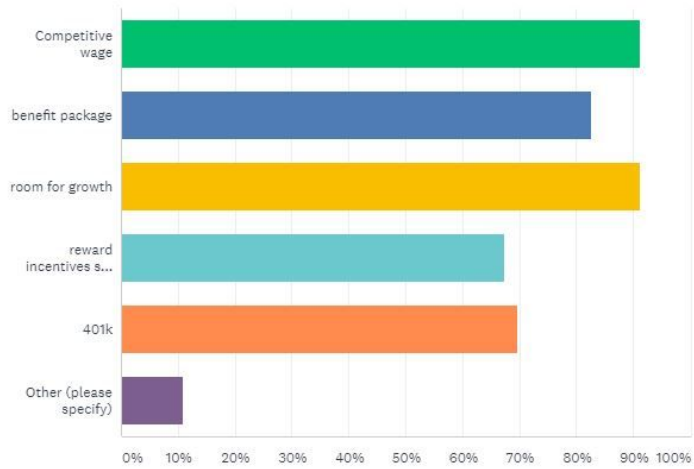


Figure 6- Cal Poly's Construction Management Undergraduate response to Factors that make them want to stay after graduation.

Source- Student Survey



ANSWER CHOICES	RESPONSES
Competitive wage	91.30%
benefit package	82.61%
room for growth	91.30%
reward incentives such as bonuses and stock	67.39%
401k	69.57%

*Figure 7- Cal Poly's Construction Management Undergraduate response to what a Builder in the San Luis Obispo County would need to offer for employment after graduation.*

*Source- Student Survey*

Lastly, students were asked what factors contributed to them wanting to stay in the area as well as incentives salary wise to pursue a career here. *Figure 6* illustrates the top reasons why students would choose the area over a Metropolitan area such as Los Angeles. *Figure 7* illustrates the incentives employers would need to offer in order to accept a job. While I do agree with students that many companies in the area are smaller and do not offer as many incentives, that is not to say it is not possible to get most of the incentives asked for. The project Manager from XYZ Builders explained that many companies are having to hire from other areas just to have enough people on board because of all the new developments happening in the area over these next couple of years. There is a lot of industrial and small commercial work throughout the county, as well as hundreds of track and custom homes being built because of the demand. "There are not enough people in this area that are applying or qualified to do the job of a Project Engineer so many companies are offering great pay, and incentives in order to get people to stay" (Project Manager- XYZ Builders 2018). The Project Manager interviewed left a big well known construction company from Los Angeles to come work for XYZ for many of the reasons students pointed out. "The cost of living was about the same, if anything a little less depending on how you go about it, and nothing beats the weather, and lack of traffic like compared to other areas" (XYZ Builders 2018).

## **Conclusion**

Like within any company big or small, if the person is a diligent hardworking individual the reward will be there. Most if not all of the incentives to stay are part of standard packages in the industry these days, it might just differ in value depending on the area the person lives in. Sometimes students sacrifice things such as spending half of their day in traffic, in order to get paid more, or because they want to be back home with their loved ones. There comes a point however, where one's true happiness should be taken into consideration. Small town living seems to overall have its positive sides with how the quality of life would stand out compared to in a bigger city. What daunts the mind thereafter now is affordability, and not staying stagnant in life when it comes to reaching your goals and personal incentives. After this project analysis and the results that came with it, I am positive that a recent graduating student would receive just as many and financially sound offers as they would in another part of the states. The City of San Luis Obispo alone is changing constantly daily, the area is becoming more modern, and buildings commercial and residential alike are in high demand. I'm certain that if a student would put in more effort this time around now that they are more familiar about what is happening in the area, then they would see that the possibilities here would be just as endless.



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