



Linking Industry and Education

Small Business Sector

Criteria for Sector Selection – Small Business		
San Diego/Imperial Counties Region		
	Evidence	Document
Sector Relevance to Region		
<i>Employment Potential</i>		
Relative Growth	According to a recent study by the San Diego-based California Bank & Trust of 680 small business owners, 87% expect their businesses to grow over the next year, with 26% expecting a growth rate of over 10%. ⁵	Report provided by the San Diego Regional Chamber – San Diego outlook report
Absolute Growth	According to a report from the <i>Chapman University San Diego County is expected to have a growth rate of 4.1% in self-employment and small business ownership.</i>	
Regional Concentration		
Number of jobs projected (replacement/new)	Of the 1.5 million workers in the region, When it comes to employment, the 40,000 San Diego and Imperial County registered small businesses employ over 120,920 persons, with an average of 3 employees each. ¹ Furthermore, even though the American economy is still trying to climb out of the recession, approximately 50% of surveyed San Diego small businesses are looking forward to increasing employment at their companies. ⁵	Report provided by ; San Diego Business Journal (2014)
<i>Financial Value</i>		
Number of companies & EMPLOYMENT TOTAL	Economists often study small businesses to determine a region's economic development, due to their impact on an economy, employment and tax revenue. For example, in the city of San Diego, 94% of its 97,000 businesses are considered small businesses. ² If we	Report provided by ; San Diego Business Journal (2014)



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	expand this to the entire region, only 1% of the 320,000 small businesses employ over 250 workers, while 242,000 of these businesses, according to the U.S. Census Bureau had only one employee, or in other words, self employed ⁷ . This last amazing number shows the importance of entrepreneurship education and its relationship with community colleges.	
Sales Volume/Investment	\$24.3 billion in sales generated San Diego/Imperial County region ranks only second to the LA/OC region in total sales and total employees. According to a recent study by the San Diego-based California Bank & Trust of 680 small business owners, 87% expect their businesses to grow over the next year, with 26% expecting a growth rate of over 10%. ⁵	According to the SBA, Small businesses provide 55% of all jobs and 66% of all net jobs and 54% of all reported sales. Small Businesses continue a steady growth of 49% since 1982.
GAP ANALYSIS		
Need for training to expand workforce in high skill/high wage jobs.		
<i>Identified skills gap for CCC-trainees</i>	Since Small Business covers a wide range of areas the skill-set needed in this sector is also wide spread from Selling skills to customer service. Small Business owners are looking into community colleges to acquire the skill-set and tools to better manage their business.	Advisory Board outcomes: Advisory board members tated in 100% of the sessions that the most needed skills to run a business effectively was to hire the right people with the right set of skills.
<i>"Living" wage potential</i>	According to the San Diego regional Chamber of commerce, Most small business owners and self-employed individuals range for 44,000 to 119,000	Industry standards provided by profit mastery
<i>Can be met by community college</i>	Currently, there are 119 business-related certificates in Business and Management throughout all 9 San Diego community colleges. Cuyamaca and MiraCosta both have a specific Entrepreneurship certificate while SD City has a Small Business Management certificate. Meanwhile, all 9 colleges have a Business Management certificate.	San Diego Colleges catalogs



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<i>Need for incumbent worker training</i>	Small business training needs to address “Soft Skills” as the primary training for incumbent workers. Employers in the region have stated that having soft skills before hiring will greatly benefit the job environment.	Regional advisory board meetings
Potential Career Pathway development and alignment in the region		
<i>Evident career ladder</i>	The Small Business sector is unique in this respect, students pursuing the business track may Also pursue Entrepreneurship as a career (part time or Full time) a perfect example is a Tax preparer who works at the local H&R block while conducting his/her tax preparation on weekends.	Certificate programs from community colleges in the region.
<i>Articulation potential</i>	Local High Schools currently have articulation with their respective community college – Next step is to identify those high-schools and colleges interested in expanding their articulation courses.	College catalogs and school districts for listings of articulated courses in the region.
<i>WBL (Work Based Learning) – apprenticeship/internship</i>	Students engaged in small business or wishing to learn more about small business ownership are able to enroll under the Internship and or apprenticeship programs available at colleges in the region, such as; San Diego City College, Mira Costa, Cuyamaca, San Diego Miramar.	College catalogs
Ability to support other sectors		
<i>Advanced Manufacturing</i>	29% of the businesses from National City to Imperil Beach are in manufacturing in addition, 13% The manufacturers are typically employing an average of 8.6 workers.	Report provided by the San Diego Regional Chamber of commerce
<i>Advanced Transportation – Renewable Energy</i>	11%	
<i>Agriculture, Water, & Environmental Tech & Energy (Efficiency)</i>	San Diego and Imperial County are thriving areas with a steady increase in the number of small farms. For example of the over 6000 farms in average 65% are small farms –less than 9 acres- The region is considered to be #1 producer of avocado. In addition, Green jobs are expected to reach over 37,000 representing 13% of renewable energy – Local demand: According to a report from centers of excellence 30% of companies reported to have worked in	Economic Vitality: Clean Jobs report – Centers of excellence and San Diego Agriculture



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	green building – 60% of construction firms are small businesses	
<i>Global Trade & Logistics</i>	<p>Small Businesses have a tremendous impact in this sector. According to the SBA Small exporting firms represent Over 80% of all exporting trade (includes services and logistics) San Diego & IV regions export activities, is reported to be over \$16 billion in exports in 2010, and support more than 113,000 jobs</p> <p>Growth potential: Due to its strategic location on the U.S.-Mexico border and the Pacific Rim, San Diego & IV can serve as the nation's cargo gateway to Latin America and Asia Transportation specially when logistics are key to the export process.</p>	See report/resource number 9
<i>Health</i>	<p>Small Business represents over 40% of service providers and independent health nurse services. This impact is bound to grow as our aging population continues to increase. The BLS reports the median salary for a registered nurse was \$65,470 in 2012 –Salary could go up almost 200,00 for chief nurse anesthetic.</p>	US News Report / www1.salary.com
<i>ICT/Digital Media</i>	<p>Small Businesses and Entrepreneurs are thriving in this field. Since it is almost with no startup capital that a business can start. Many Individuals test their abilities to establish a robust portfolio by conducting freelance work then maybe launching and establishing a new business.</p>	Advertising Age report/magazine
<i>Life Sciences/Biotech</i>	<p>New and striving business have turned to local resources to meet their goals. Such as SBDC's and Connect that help New small business achieve success. For example Springboard, CONNECT's flagship program, is designed to assist science and technology companies with marketing, financial, and strategic business advice. Since the inception of the program in 1993, more than 3000 scientific and technological breakthroughs have been guided through the process of innovation to commercialization. Together, these companies have raised over \$ 1.4 Billion in capital. Over 90% of these firms are Small Businesses.</p>	CONNECT site
<i>Retail/Hospitality/Tourism "</i>	<p>97% of all Retail is small retail – this is true for our region as well as a nationally – The SBA states that over 94% of Businesses are small</p>	San Diego Tourism Authority ¹¹



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	businesses. According to Travel Reports: There were 33.1 million visitors to San Diego, of which more than 16.4 million were overnight and more than 16.7 million were day visitors. The economic impact of the visitor industry on the San Diego regional economy is more than \$18.7 Billion	
<i>Small Business</i>	20% of Small Business are in the service industries - According to the voice of San Diego and the SBA - Over 95 percent of San Diego businesses are small businesses.	The voice of San Diego and SBA report
	Reports Provided	
	<ol style="list-style-type: none"> 1. California Community College Chancellor's Office; 2. Keegan Kyle (2012). Fact Check: A City of Small Businesses 3. City of San Diego Office of Small Business/ Economic Development. 4. 2013 San Diego Small Business Outlook (2013). 5. Mike Allen, San Diego Business Journal (2014). 6. California Community Colleges Chancellor's Office (2014). 7. Lisa Halverstadt, (2014). San Diego Businesses, By the Numbers 8. San Diego Agriculture 9. Global San Diego Export Plan 10. Advertising Age Magazine 11. Tourist authority 	

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