

Program Endorsement Brief: 0506.40/Small Business and Entrepreneurship Business Essentials

Los Angeles/Orange County Center of Excellence, February 2020

Summary Analysis

The Los Angeles/Orange County Center of Excellence for Labor Market Research (COE) prepared this report to provide Los Angeles/Orange County regional labor market supply and demand data related to three middle-skill occupations: property, real estate, and community association managers (11-9141), first-line supervisors of retail sales workers (41-1011), and first-line supervisors of non-retail sales workers (41-1012). Middle-skill occupations typically require some postsecondary education, but less than a bachelor's degree.¹ This report is intended to help determine whether there is demand in the local labor market that is not being met by the supply from community college programs that align with the relevant occupations.

Based on the available data, there appears to be a supply gap for these business-related occupations in the region. However, none of the occupations studied in this report have entry-level wages above the California Family Needs Calculator living wage for either Los Angeles or Orange County. **Therefore, the COE cautiously endorses this proposed program.** Reasons include:

Demand:

- Over the next five years, there is projected to be approximately **9,750 jobs available annually** in the region due to new job growth and replacements.
- The national-level educational attainment data indicates between 30.7% and 38.7% of workers in the field have completed some college or an associate degree.
- Typical **entry-level hourly wages** for these occupations throughout the region are between \$13.58 and \$16.34, **which are lower than the California Family Needs Calculator** hourly wage for one adult in the region (\$15.04 in Los Angeles County and \$17.36 in Orange County).²
 - Median wages are between \$18.02 and \$28.44, **which are higher than the California Family Needs Calculator hourly wage estimate for both counties.**

¹ The COE classifies middle-skill jobs as the following:

- All occupations that require an educational requirement of some college, associate degree or apprenticeship;
- All occupations that require a bachelor's degree, but also have more than one-third of their existing labor force with an educational attainment of some college or associate degree; or
- All occupations that require a high school diploma or equivalent or no formal education, but also require short- to long-term on-the-job training where multiple community colleges have existing programs.

² Living wage data was pulled from California Family Needs Calculator on 1/27/20. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

Supply:

- Currently, **28 community colleges** in the region have programs related to the occupations of interest, conferring an average of **8,241 awards annually** between 2015 and 2018.
- Between 2013 and 2016, there were an average of **171 awards conferred annually** in related training programs by non-community college institutions, all of which were generated by **four institutions throughout** the region.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for three middle-skill occupations. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to increase by 1% through 2023. There will be approximately 9,750 job openings per year through 2023 due to job growth and replacements.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Geography	2018 Jobs	2023 Jobs	2018-2023 Change	2018-2023 % Change	Annual Openings
Los Angeles	71,741	72,205	464	1%	7,169
Orange	26,487	26,621	134	1%	2,580
Total	98,228	98,826	598	1%	9,749

Wages — Typical entry-level hourly wages for these middle-skill occupations throughout the region are between \$13.58 and \$16.34.⁴ Entry-level wages for these occupations are lower than the California Family Needs Calculator hourly wage for one adult in the region (\$15.04 in Los Angeles County and \$17.36 in Orange County).⁵ The median hourly-wages for all three occupations are between \$18.02 and \$28.44; and experienced workers can expect to earn between \$24.86 and \$45.53, all which are higher than the California Family Needs Calculator wage estimates for both counties. Wage information, by county, is included in Appendix A.

Job Postings — There were 35,237 online job postings related to these middle-skill occupations listed in the past 12 months. The highest number of job postings were for store manager, assistant store manager, assistant manager, and property manager. The top skills were: retail industry knowledge, sales, store management, customer service, and merchandising. The top three employers, by number of job postings, in the region were: Sprouts Farmers Markets, Sprint Corporation, and Superior Grocers. Of the 35,237 online job postings, 51% list a minimum education requirement.

³ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

⁴ Entry-level wage is defined as the twenty-fifth percentile hourly wage. Wages for experienced workers are defined as the seventy-fifth percentile hourly wage.

⁵ Living wage data was pulled from California Family Needs Calculator on 1/27/20. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

Educational Attainment — The Bureau of Labor Statistics (BLS) lists a high school diploma as the typical entry-level education for the three occupations studied. The national-level educational attainment data indicates between 30.7% and 38.7% of workers in the field have completed some college or an associate degree. Of the 51% job postings listing a minimum education requirement in Los Angeles/Orange County, 59% (10,541) requested a high school diploma, 35% requested a bachelor’s degree, and 6% (1,125) requested an associate degree.

Supply

Community College Supply — Exhibit 2 shows the annual and three-year average number of awards conferred by community college programs that have historically trained for the three occupations of interest. Supply data is provided for: Business and Commerce, General (0501.00), Business Administration (0505.00), Business Management (0506.00), Management Development and Supervision (0506.30), Small Business and Entrepreneurship (0506.40), Retail Store Operations and Management (0506.40), Sales and Salesmanship (0509.40), and Real Estate (0511.00). The programs with the most completions are Business Administration and Business Management, while the colleges with the most completions in the region are Coastline, Pasadena and Cerritos. In 2019, there were 16 other related program recommendation requests from regional community colleges.

Exhibit 2: Regional community college awards (certificates and degrees), 2015-2018

TOP Code	Program	TOP Code	2015-2016 Awards	2016-2017 Awards	2017-2018 Awards	3-Year Award Average
0501.00	Business and Commerce, General	Cerritos	47	23	39	36
		Compton	29	47	1	26
		Glendale	47	47	48	47
		LA City	11	21	113	48
		LA Harbor	26	20	8	18
		LA Mission	45	38	29	37
		LA Southwest	33	48	20	34
		Long Beach	82	69	93	81
		Mt San Antonio	189	183	161	178
		West LA	7	38	8	18
		LA Subtotal	516	534	520	523
		Coastline	3	-	5	3
		Golden West	-	7	-	2
		Saddleback	11	14	8	11
		OC Subtotal	14	21	13	16
				Subtotal/Average	530	555
0505.00	Business Administration	Cerritos	136	197	181	171
		Citrus	356	393	434	394
		Compton	-	-	44	15

TOP Code	Program	TOP Code	2015-2016 Awards	2016-2017 Awards	2017-2018 Awards	3-Year Award Average
		East LA	-	26	159	62
		El Camino	201	282	310	264
		Glendale	163	193	246	201
		LA City	15	51	85	50
		LA Harbor	31	66	90	62
		LA Mission	10	52	60	41
		LA Pierce	163	180	181	175
		LA Southwest	18	32	22	24
		LA Valley	-	23	99	41
		Long Beach	199	243	273	238
		Mt San Antonio	-	9	135	48
		Pasadena	647	702	847	732
		Rio Hondo	209	206	216	210
		Santa Monica	393	306	335	345
		West LA	71	96	135	101
		LA Subtotal	2,612	3,057	3,852	3,174
		Coastline	770	817	681	756
		Cypress	156	202	213	190
		Fullerton	169	210	358	246
		Golden West	150	176	126	151
		Irvine	183	218	233	211
		Orange Coast	346	382	393	374
		Saddleback	215	217	278	237
		Santa Ana	228	211	216	218
		Santiago Canyon	197	164	152	171
		OC Subtotal	2,414	2,597	2,650	2,554
		Subtotal/Average	5,026	5,654	6,502	5,727
0506.00	Business Management	Cerritos	159	246	405	270
		Citrus	-	-	1	0
		Compton	-	11	2	4
		East LA	11	9	26	15
		El Camino	47	17	23	29
		Glendale	8	17	10	12
		LA City	9	19	15	14
		LA Mission	2	5	4	4

TOP Code	Program	TOP Code	2015-2016 Awards	2016-2017 Awards	2017-2018 Awards	3-Year Award Average
		LA Valley	23	42	30	32
		Long Beach	25	15	22	21
		Mt San Antonio	155	187	161	168
		Santa Monica	19	10	18	16
		LA Subtotal	458	578	717	584
		Coastline	378	175	71	208
		Cypress	4	2	6	4
		Fullerton	93	124	11	76
		Golden West	3	9	8	7
		Irvine	9	11	9	10
		Orange Coast	6	3	51	20
		Santa Ana	26	37	81	48
		Santiago Canyon	3	3	42	16
		OC Subtotal	522	364	279	388
		Subtotal/Average	980	942	996	973
0506.30	Management Development and Supervision	Cerritos	-	1	8	3
		LA Harbor	-	1	-	0
		LA Pierce	5	3	6	5
		LA Southwest	14	17	16	16
		LA Trade	9	19	18	15
		LA Valley	9	10	18	12
		Pasadena	10	9	7	9
		Rio Hondo	16	21	63	33
		Santa Monica	18	10	17	15
		LA Subtotal	81	91	153	108
		Coastline	70	269	312	217
		Irvine	1	1	-	1
		Saddleback	18	29	23	23
		Santa Ana	-	-	13	4
		Santiago Canyon	-	-	2	1
		OC Subtotal	89	299	350	246
		Subtotal/Average	170	390	503	354
0506.40	Small Business and Entrepreneurship	Cerritos	24	15	21	20
		Citrus	-	-	1	0
		Glendale	3	1	2	2

TOP Code	Program	TOP Code	2015-2016 Awards	2016-2017 Awards	2017-2018 Awards	3-Year Award Average
		LA City	1	8	3	4
		LA Trade	4	8	7	6
		Mt San Antonio	32	26	18	25
		Pasadena	4	2	5	4
		Rio Hondo	4	6	15	8
		Santa Monica	8	7	10	8
		West LA	5	3	3	4
		LA Subtotal	85	76	85	82
		Coastline	3	6	10	6
		Cypress	8	5	2	5
		Fullerton	3	1	3	2
		Golden West	-	-	3	1
		Irvine	3	29	18	17
		Saddleback	1	4	10	5
		Santa Ana	1	4	4	3
		Santiago Canyon	1	2	4	2
		OC Subtotal	20	51	54	42
		Subtotal/Average	105	127	139	124
0506.50	Retail Store Operations and Management	Cerritos	152	233	190	192
		LA Pierce	2	-	1	1
		LA Trade	-	4	1	2
		LA Valley	-	-	1	0
		Mt San Antonio	7	2	2	4
		Pasadena	2	-	2	1
		Rio Hondo	1	1	4	2
		LA Subtotal	164	240	201	202
		Coastline	1	1	2	1
		Cypress	1	-	-	0
		Orange Coast	-	-	2	1
		Saddleback	2	-	-	1
		Santa Ana	3	2	1	2
		OC Subtotal	7	3	5	5
		Subtotal/Average	171	243	206	207
0509.40	Sales and Salesmanship	Cerritos	13	10	-	8
		Santa Monica	12	14	16	14

TOP Code	Program	TOP Code	2015-2016 Awards	2016-2017 Awards	2017-2018 Awards	3-Year Award Average		
		LA Subtotal	25	24	16	22		
		Orange Coast	-	-	11	4		
		Santa Ana	-	-	1	0		
		OC Subtotal	-	-	12	4		
		Subtotal/Average	25	24	28	26		
0511.00	Real Estate	Cerritos	8	14	14	12		
		Citrus	-	13	13	9		
		Compton	-	-	1	0		
		East LA	38	37	56	44		
		El Camino	9	9	7	8		
		Glendale	5	71	42	39		
		LA City	11	19	16	15		
		LA Harbor	-	1	3	1		
		LA Southwest	-	-	4	1		
		LA Trade	6	2	4	4		
		LA Valley	14	30	14	19		
		Long Beach	-	3	1	1		
		Mt San Antonio	72	59	61	64		
		West LA	10	12	16	13		
				LA Subtotal	173	270	252	232
				Coastline	5	4	7	5
				Fullerton	1	3	2	2
				Irvine	15	15	9	13
				Orange Coast	4	7	26	12
				Saddleback	10	23	17	17
				Santiago Canyon	3	5	23	10
				OC Subtotal	38	57	84	60
		Subtotal/Average	211	327	336	291		
Total/Average			7,218	8,262	9,243	8,241		

Non-Community College Supply — It is important to consider the supply from non-community college institutions in the region that provide training programs for these three middle-skill occupations. Exhibit 3 shows the annual and three-year average number of awards conferred by these institutions in the related Classification of Instructional Programs (CIP) Codes: Business/Commerce, General (52.0101), Business Administration and Management (52.0201), Office Management and Supervision (52.0204), Operations Management and Supervision (52.0205), Entrepreneurship/Entrepreneurial Studies (52.0701), and Real Estate (52.1501). Due to different data collection periods, the most recent three-year period of available data is from 2013 to 2016. Between 2013 and 2016, non-community college institutions in the region conferred an average of 171 awards annually in related training programs.

Exhibit 3: Regional Non-Community College awards, 2013-2016

CIP Code	Program	College	2013-2014 Awards	2014-2015 Awards	2015-2016 Awards	3-Year Award Average
52.0101	Business/Commerce, General	Argosy University-Los Angeles	-	1	-	0
		Argosy University-Orange County	-	2	1	1
		Advanced College	-	2	-	1
		Allied American University	44	60	73	59
		Bristol University	1	1	4	2
		East San Gabriel Valley Regional Occupational Program	42	20	5	22
		Fremont College	1	-	-	0
		Learnet Academy Inc.	-	1	4	2
		Los Angeles ORT College-Los Angeles Campus	5	13	9	9
52.0201	Business Administration and Management, General	Los Angeles ORT College-Van Nuys Campus	-	2	4	2
		Mount Saint Mary's University	8	13	13	11
		Platt College-Los Angeles	-	-	1	0
		Trident University International	2	-	-	1
		United Education Institute-Huntington Park Campus	17	-	-	6
		University of Phoenix-California	-	1	3	1
		University of the People	-	-	14	5

52.0204	Office Management and Supervision	University of the West	1	-	-	0
		Allied American University	5	5	1	4
		Eagle Rock College	4	2	-	2
		ICDC College	43	45	-	29
52.0205	Operations Management and Supervision	University of Phoenix-California	-	-	1	0
52.0701	Entrepreneurship/Entrepreneurial Studies	Mount Saint Mary's University	2	3	-	2
52.1501	Real Estate	Allied American University	13	7	1	7
		Learnet Academy Inc.	2	4	7	4
Supply Total/Average			190	182	141	171

Appendix A: Occupational demand and wage data by county

Exhibit 4. Los Angeles County

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
First-Line Supervisors of Retail Sales Workers (41-1011)	43,536	43,093	(443)	(1%)	4,611	\$13.74	\$18.27	\$25.21
Property, Real Estate, and Community Association Managers (11-9141)	15,198	16,337	1,139	7%	1,404	\$13.89	\$26.46	\$44.24
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	13,007	12,775	(232)	(2%)	1,154	\$16.07	\$28.04	\$41.24
Total	71,741	72,205	464	1%	7,169			

Exhibit 5. Orange County

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
First-Line Supervisors of Retail Sales Workers (41-1011)	14,771	14,710	(61)	(0%)	1,569	\$13.11	\$17.29	\$23.77
Property, Real Estate, and Community Association Managers (11-9141)	6,956	7,223	267	4%	584	\$15.51	\$28.99	\$48.28
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	4,760	4,688	(72)	(2%)	427	\$17.20	\$29.64	\$42.87
Total	26,487	26,621	134	1%	2,580			

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
First-Line Supervisors of Retail Sales Workers (41-1011)	58,307	57,803	(504)	(1%)	6,180	\$13.58	\$18.02	\$24.86
Property, Real Estate, and Community Association Managers (11-9141)	22,154	23,560	1,406	6%	1,988	\$14.41	\$27.13	\$45.53
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	17,767	17,463	(304)	(2%)	1,581	\$16.34	\$28.44	\$41.72
Total	98,228	98,826	598	1%	9,749			

Appendix B: Sources

- O*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (Emsi)
- Bureau of Labor Statistics (BLS)
- Employment Development Department, Labor Market Information Division, OES
- Employment Development Department, Unemployment Insurance Dataset
- Living Insight Center for Community Economic Development
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- California Family Needs Calculator, Insight Center for Community Economic Development
- Chancellor's Office Curriculum Inventory (COCI 2.0)

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