

Program Endorsement Brief: 0506.00/Business Management *Human Resources Management Certificate* Orange County Center of Excellence, June 2020

Summary Analysis

The 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 two middle-skill occupations: Payroll and Timekeeping Clerks (43-3051), and Human Resources Assistants, Except Payroll and Timekeeping (43-4161). 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 middle-skill human resources occupations in the region. **Therefore, the COE endorses this proposed program this program.** Reasons include:

Demand:

- Over the next five years, there is projected to be **1,520 jobs available annually** in the region due to retirements and workers leaving the field, **which is more than the 1,053 awards conferred annually** by educational institutions in the region.
- The national-level educational attainment data indicates **between 40.1% and 47.1% of workers in the field have completed some college or an associate degree.**
- Wages for these occupations vary for Los Angeles and Orange Counties.
 - **Typical regional entry-level hourly wages** for these middle-skill human resources occupations throughout the region are between **\$15.53 and \$18.66, which are higher than the California Family Needs Calculator** hourly wage (living wage) **for one adult in Los Angeles County** (\$15.04).²
 - Regional entry-level hourly **wages for Payroll and Timekeeping Clerks is above Orange County's living wage** (\$17.36).
 - However, regional entry-level hourly **wages for Human Resources Assistants is below Orange County's living wage.**
 - **Experienced workers in these occupations can expect to earn regional wages** between \$24.37 and \$29.16, **which is higher than the living 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 5/27/20. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

Supply:

- There are **22 community colleges** in the region that issue awards related to business management, conferring an average of **1,028 awards annually** between 2016 and 2019.
- Between 2014 and 2017, there was an average of **25 awards conferred annually** in related training programs by non-community college institutions throughout the region.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for these middle-skill human resources occupations. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to slightly decrease by less than 1% through 2024. However, there will be more than 1,500 job openings per year through 2024 due to retirements and workers leaving the field.

This report includes employment projection data by Emsi which uses EDD information. Emsi’s projections are modeled on recorded (historical) employment figures and incorporate several underlying assumptions, including the assumption that the economy, during the projection period, will be at approximately full employment. To the extent that a recession or labor shock, such as the economic effects of COVID-19, can cause long-term structural change, it may impact the projections. At this time, it is not possible to quantify the impact of COVID-19 on projections of industry and occupational employment. Therefore, the projections included in this report do not take the impacts of COVID-19 into account.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Geography	2019 Jobs	2024 Jobs	2019-2024 Change	2019-2024 % Change	Annual Openings
Los Angeles	9,732	9,677	(55)	(1%)	1,091
Orange	3,694	3,747	53	1%	428
Total	13,426	13,424	(2)	(0%)	1,520

Wages—Typical regional entry-level hourly wages for middle-skill human resources occupations are between \$15.53 and \$18.88. Regional entry-level wages for these occupations are higher than the California Family Needs Calculator hourly wage (living wage) for one adult in Los Angeles County (\$15.04). In Orange County, regional entry-level hourly wages for Payroll and Timekeeping Clerks is above the county’s living wage (\$17.36); however, regional entry-level hourly wages for Human Resources Assistants is below the county’s living wage. Experienced workers can expect to earn regional wages between \$24.37 and \$29.16, which is higher than the living wage estimates for both counties. Regional average wages are below the average statewide wage of \$23.49 for these occupations. Wage information, by county, is included in Appendix A.

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.

Job Postings—There were 5,895 online job postings related to middle-skill human resources occupations listed in the past 12 months. The highest number of job postings were for human resources assistants, payroll specialists, payroll clerks, payroll administrators, and payroll coordinators. The top skills were: payroll processing, data entry, accounting, administrative support, and customer service. The top three employers, by number of job postings, in the region were: University of California, Marriott International, and Ultimate Staffing Services.

It is important to note that the job postings data included in this section reflects online job postings listed in the past 12 months and does not yet demonstrate the impact of COVID-19. While employers have generally posted fewer online job postings since the beginning of the pandemic, the long-term effects are currently unknown.

Educational Attainment—The Bureau of Labor Statistics (BLS) lists a high school diploma as the typical entry-level education for Payroll and Timekeeping Clerks, and an associate degree as the typical entry-level education for Human Resources Assistants. The national-level educational attainment data indicates between 40.1% and 47.1% of workers in the field have completed some college or an associate degree. Of the 34% of middle-skill human services job postings listing a minimum education requirement in Los Angeles/Orange County, 72% (1,460) requested a high school diploma and 28% (571) requested an associate degree.

Educational Supply

Community College Supply—Exhibit 2, on the following page, shows the three-year average number of awards conferred by community colleges in the related TOP code: Business Management (0506.00). The colleges with the most completions in the region are: Cerritos, Mt. San Antonio, and Coastline. Over the past 12 months, there were no other related program recommendation requests from regional community colleges.

Exhibit 2: Regional community college awards (certificates and degrees), 2016-2019

TOP Code	Program	College	2016-2017 Awards	2017-2018 Awards	2018-2019 Awards	3-Year Award Average
0506.00	Business Management	Cerritos	246	405	456	369
		Citrus	-	1	2	1
		Compton	11	2	3	5
		East LA	9	26	29	21
		El Camino	17	23	23	21
		Glendale	17	10	9	12
		LA City	19	15	18	17
		LA Mission	5	4	3	4
		LA Pierce	-	-	3	1
		LA Valley	42	30	33	35
		Long Beach	15	22	21	19
		Mt San Antonio	187	161	202	183
		Santa Monica	10	18	23	17

TOP Code	Program	College	2016-2017 Awards	2017-2018 Awards	2018-2019 Awards	3-Year Award Average
		LA Subtotal	578	717	825	707
		Coastline	175	71	84	110
		Cypress	2	6	6	5
		Fullerton	124	11	11	49
		Golden West	9	8	20	12
		Irvine	11	9	3	8
		North Orange Adult	26	24	27	26
		Orange Coast	3	51	40	31
		Santa Ana	37	81	64	61
		Santiago Canyon	3	42	17	21
		OC Subtotal	390	303	272	322
Supply Total/Average			968	1,020	1,097	1,028

Non-Community College Supply—It is important to consider the supply from four-year institutions in the region that provide training programs for middle-skill human resources 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: Office Management and Supervision (52.0204), Operations Management and Supervision (52.0205), Project Management (52.0211), Human Resources Management/Personnel Administration (52.1001), and Management Science (52.1301). Due to different data collection periods, the most recent three-year period of available data is from 2014 to 2017. Between 2014 and 2017, four-year colleges in the region conferred an average of 25 awards annually in related training programs.

Exhibit 3: Regional non-community college awards, 2014-2017

CIP Code	Program	College	2014-2015 Awards	2015-2016 Awards	2016-2017 Awards	3-Year Award Average
52.0204	Office Management and Supervision	Eagle Rock College	2	-	-	1
52.0205	Operations Management and Supervision	University of Phoenix-California	-	1	8	3
52.0211	Project Management	University of Phoenix-California	3	2	18	8
52.1001	Human Resources Management/Personnel Administration, General	GDS Institute	3	2	8	4
52.1001	Human Resources Management/Personnel Administration, General	University of Phoenix-California	4	3	21	9
52.1301	Management Science	Azusa Pacific University College	1	-	-	0
Supply Total/Average			13	8	55	25

Appendix A: Occupational demand and wage data by county

Exhibit 4. Los Angeles County

Occupation (SOC)	2019 Jobs	2024 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)
Payroll and Timekeeping Clerks (43-3051)	5,885	5,833	(52)	(1%)	651	\$18.78	\$24.18	\$29.34
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	3,847	3,844	(3)	(0%)	440	\$15.68	\$19.23	\$24.58
Total	9,732	9,677	(55)	(1%)	1,091			

Exhibit 5. Orange County

Occupation (SOC)	2019 Jobs	2024 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)
Payroll and Timekeeping Clerks (43-3051)	2,224	2,245	21	1%	253	\$18.37	\$23.65	\$28.69
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	1,470	1,502	32	2%	176	\$15.16	\$18.59	\$23.77
Total	3,694	3,747	53	1%	428			

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2019 Jobs	2024 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)
Payroll and Timekeeping Clerks (43-3051)	8,109	8,078	(31)	(0%)	904	\$18.66	\$24.03	\$29.16
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	5,318	5,346	28	1%	616	\$15.53	\$19.05	\$24.37
Total	13,426	13,424	(2)	(0%)	1,520			

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
- 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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