

**Program Endorsement Brief: 0508.00/International Business and Trade
International Business Management Certificate**

Orange County Center of Excellence, September 2020

Summary Analysis

Program Endorsement:	Endorsed: All Criteria Met <input type="checkbox"/>	Endorsed: Some Criteria Met <input checked="" type="checkbox"/>	Not Endorsed <input type="checkbox"/>
Program Endorsement Criteria			
Supply Gap:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Living Wage: (Entry-Level, 25th)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Education:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Emerging Occupation(s)			
	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

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 three middle-skill occupation(s): *Buyers and Purchasing Agents* (13-1028), *Business Operations Specialists, All Other* (13-1199), and *Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products* (41-4012) in support of a proposed International Business Management Certificate. It is important to note that occupation (SOC) codes do not distinguish between international and domestic business when defining occupations, meaning that the traditional labor market demand data is overstated for international business and trade jobs since it is inclusive of those that are both domestic and international. 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 in the region for the middle-skill occupations studied in this report.. While the majority of annual openings for the occupations in this report have entry-level wages that exceed the living wage in both Los Angeles and Orange Counties, the majority of these annual openings in the LA/OC region typically require a bachelor’s degree. **Therefore, due to some of the criteria being met, the COE endorses this proposed program.** Detailed reasons include:

Demand:

- **Supply Gap Criteria** – Over the next five years, there is projected to be **15,837 jobs available annually** in the region due to retirements and workers leaving the field,

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.

which is more than the 462 awards conferred annually by educational institutions in the region.

- However, occupation (SOC) codes do not decipher between international and domestic business when defining occupations; therefore, the **demand is overstated for occupations that focus solely on international business and trade.**
- The Business Operations Specialists, All Other (13-1199) SOC code includes emerging occupations, including Customs Brokers. Since the SOC code does not solely represent international business occupations, **the number of annual job openings is likely overstated.**
- **Living Wage Criteria** –Within Orange County, **all of the annual job openings** for these middle-skill international business occupations have **entry-level wages above the county’s living wage** (\$17.36/hour).²
- **Educational Criteria** – Within the LA/OC region, **57% of the annual job openings** for occupations related to international business **typically require a bachelor’s degree.**
 - Furthermore, the national-level educational attainment data indicates **between 23.7% and 31.3% of workers in the field have completed some college or an associate degree.**

Supply:

- There are **13 community colleges** in the LA/OC region that issue awards related to international business and trade, conferring an average of **347 awards annually** between 2016 and 2019.
 - However, this supply data includes **737 low-unit certificates, many of which were automatically conferred (also known as auto-awarded) by Santa Ana College between 2016 and 2019.** Awards were automatically conferred to both current and past students who had completed the unit requirements within the past few years; however, this low-unit program may not have necessarily prepared students for the occupations within this report, as compared to higher-unit programs at Santa Ana College and throughout the region. Therefore, **the three year-average number of awards is overstated.**
- Between 2014 and 2017, there was an average of **115 awards conferred annually** in related training programs by non-community colleges throughout the region.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for these middle-skill occupations related to international business. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to decrease by 1% through 2024. However, there will be more than 15,800 job openings per year through 2024 due to retirements and workers leaving the field.

² Living wage data was pulled from California Family Needs Calculator on 9/25/2020. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

It is important to note that occupation (SOC) codes do not decipher between international and domestic business when defining occupations; therefore, the demand in Exhibit 1 is overstated for occupations that focus solely on international business and trade. It is also important to note that the Business Operations Specialists, All Other (13-1199) SOC code includes emerging occupations that are related to international business (including Customs Brokers (13-1199.03) as well as emerging occupations that are not related (such as Energy Auditors (13-1199.01)), further overstating demand data for this occupation related to international business jobs.

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	112,630	110,516	(2,114)	(2%)	11,438
Orange	42,396	42,396	0	0%	4,399
Total	155,026	152,911	(2,115)	(1%)	15,837

Wages

The labor market endorsement in this report considers the entry-level hourly wages for these middle-skill occupations related to international business in Orange County in comparison to the county's living wage. Los Angeles County wages are included below in order to provide a complete analysis of the LA/OC region. Detailed wage information, by county, is included in Appendix A.

Orange County—All of the annual openings for these middle-skill occupations related to international business have entry-level wages above the living wage for one adult (\$17.36 in Los Angeles County).⁴ Typical entry-level hourly wages are in a range between \$19.13 and \$24.57. Experienced workers can expect to earn wages between \$41.57 and \$46.68, which are higher than the living wage estimate. Orange County's average wages are below the average statewide wage of \$37.31 for these occupations.

Los Angeles County—All of the annual openings for these middle-skill occupations related to international business have entry-level wages above the living wage for one adult (\$15.04 in Los

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 Living wage data was pulled from California Family Needs Calculator on 9/25/2020. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

Angeles County).⁵ Typical entry-level hourly wages are in a range between \$17.54 and \$25.23. Experienced workers can expect to earn wages between \$41.20 and \$47.93, which are higher than the living wage estimate. Los Angeles County's average wages are below the average statewide wage of \$37.31 for these occupations.

Job Postings

There were 57,260 online job postings for middle-skill occupations related to business – these postings do not distinguish between international or domestic business jobs – listed in the past 12 months. The highest number of job postings were for sales representatives, outside sales representatives, account executives, account managers, and inside sales representatives. The top skills were: sales, customers service, outside sales, sales goals, and prospective clients. The top three employers, by number of job postings, in the region were: Spectrum, Anthem Blue Cross, and Charter Communications.

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 bachelor's degree as the typical entry-level education for Buyers and Purchasing Agents (13-1028) and Business Operations Specialists, All Other (13-1199), and a high school diploma or equivalent for Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (41-4012). In the LA/OC region, the majority of annual job openings (57%) typically require a bachelor's degree. Furthermore, the national-level educational attainment data indicates between 23.7% and 31.3% of workers in the field have completed some college or an associate degree. Of the 53% of middle-skill business occupations job postings listing a minimum education requirement in Los Angeles/Orange County, 64% (19,610) requested a bachelor's degree, 30% (9,192) requested a high school diploma, and 5% (1,624) 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: International Business and Trade (0508.00). The colleges with the most completions in the region are: Santa Ana, Mt. San Antonio, and Cerritos. Over the past 12 months, there were 347 other related program recommendation requests from regional community colleges.

It is worth noting that this supply data includes 737 low-unit certificates automatically conferred by Santa Ana College from 2016-2019 (including 668 low-unit certificates that were auto-awarded during the 2017-2018 academic year alone). Local awards were automatically conferred to both current and past students who had completed the unit requirements within the past 3-5 years. It is unclear if this number double-counts students who previously exited the program and are already working in the field, or if these students are necessarily prepared to work in the field of international business management, as compared to students who completed

⁵ Living wage data was pulled from California Family Needs Calculator on 9/25/2020. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

higher-unit awards. Since this data point is included within the regional average supply data, the three year-average number of awards (347) is overstated.

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
0508.00	International Business and Trade	Cerritos	10	13	26	16
		East LA	-	7	3	3
		Glendale	3	2	-	2
		LA Pierce	3	-	2	2
		Long Beach	6	14	4	8
		Mt San Antonio	38	24	28	30
		Pasadena	3	3	4	3
		Rio Hondo	3	1	1	2
		Santa Monica	2	3	-	2
		LA Subtotal	68	67	68	68
		Fullerton	2	-	1	1
		Orange Coast	12	14	-	9
		Saddleback	4	3	5	4
		Santa Ana	40	668	89	266
		OC Subtotal	58	685	95	279
Supply Total/Average			126	752	163	347

Non-Community College Supply—Since some of these occupations typically require a bachelor’s degree, it is important to consider the supply from other institutions in the region that provide training programs for international business. Exhibit 3 shows the annual and three-year average number of awards conferred by these institutions in the related Classification of Instructional Programs (CIP) Code: International Business/Trade/Commerce (52.1101). 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 115 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
52.1101	International Business/Trade/Commerce	Azusa Pacific University	12	18	13	14
		California State University-Fullerton	37	58	49	48
		Mount Saint Mary's University	7	5	8	7
		Pepperdine University	29	28	28	28
		University of La Verne	12	8	6	9
		University of Southern California	-	-	26	9
		Vanguard University of Southern California	-	-	1	0
Supply Total/Average			97	117	131	115

Appendix A: Occupational demand and wage data by county

Exhibit 4. Orange County

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Buyers and Purchasing Agents (13-1028)	5,931	5,765	(166)	(3%)	577	\$23.80	\$31.71	\$41.57
Business Operations Specialists, All Other (13-1199)	18,062	18,757	695	4%	1,908	\$24.57	\$33.34	\$46.68
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (41-4012)	18,402	17,873	(529)	(3%)	1,914	\$19.13	\$29.53	\$44.90
Total	42,396	42,396	0	0%	4,399			

Exhibit 5. 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)
Buyers and Purchasing Agents (13-1028)	14,628	13,912	(716)	(5%)	1,407	\$23.31	\$31.16	\$40.92
Business Operations Specialists, All Other (13-1199)	49,582	50,763	1,181	2%	5,057	\$25.23	\$34.23	\$47.93
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (41-4012)	48,420	45,842	(2,578)	(5%)	4,974	\$17.54	\$27.06	\$41.20
Total	112,630	110,516	(2,114)	(2%)	11,438			

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings
Buyers and Purchasing Agents (13-1028)	20,559	19,676	(883)	(4%)	1,984
Business Operations Specialists, All Other (13-1199)	67,644	69,520	1,876	3%	6,965
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (41-4012)	66,823	63,715	(3,108)	(5%)	6,888
Total	155,026	152,911	(2,115)	(1%)	15,837

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)

For more information, please contact:

Jesse Crete, Ed. D., Director
Center of Excellence, Orange County
crete_jesse@rsccd.edu

September 2020

