

# Accounting (TOP: 0502.00)

July 2019

Prepared by the South Central Coast Center of Excellence for Labor Market Research



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## Program Recommendation

This report was compiled by the South Central Coast Center of Excellence to provide regional labor market data for the program recommendation of Accounting. This report can help determine whether there is demand in the local labor market that is not being met by the supply from programs of study (CCC and non-CCC) that align with this occupation group.

- In the South Central Coast region, the number of jobs related to Accounting is expected to increase over the next five years.
- Financial Managers, Accountants and Auditors, and Budget Analysts are anticipated to experience a low risk of automation while Tax Preparers and Bookkeeping, Accounting, and Auditing Clerks are at high risk of automation.
- In 2017 there were 716 regional completions from programs related to the occupations identified in this analysis as related to Accounting, and 2,828 openings, indicating an undersupply.
- Typical entry-level education ranges from a high school diploma or equivalent for Tax Preparers, some college, no degree for Bookkeeping, Accounting, and Auditing Clerks, to an Bachelor's degree for Accountants and Auditors, Budget Analysts, and Financial Managers.
- Completers of the Accounting program (TOP 0502.00) from the 2015-2016 academic year had a median annual wage upon completion of \$31,613.
- 59% of students are earning a living.
- 70% of students are employed within a year after completing a program.

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<sup>1</sup> The South Central Coast Region consists of San Luis Obispo County, Santa Barbara County, Ventura County, and the following cities from North Los Angeles County: Canyon Country, Castaic, Lake Hughes, Lancaster, Littlerock, Llano, Newhall, Palmdale, Pearblossom, Santa Clarita, Stevenson Ranch, and Valencia.

## Occupation Codes and Descriptions

Currently, there are five occupations in the standard occupational classification (SOC) system that were identified as relevant for this analysis. The occupation titles and descriptions, as well as reported job titles are included in Exhibit 1.

**Exhibit 1 – Occupation, description, and sample job titles**

SOC Code	Title	Description	Sample of Reported Job Titles
11-3031	Financial Managers	Plan, direct, or coordinate accounting, investing, banking, insurance, securities, and other financial activities of a branch, office, or department of an establishment	Chief Financial Officer (CFO), Chief School Finance Officer, Comptroller, Controller, Director of Finance, Finance Director, Finance Manager, Finance Vice President, School Treasurer, Treasurer
13-2011	Accountants and Auditors	Examine, analyze, and interpret accounting records to prepare financial statements, give advice, or audit and evaluate statements prepared by others. Install or advise on systems of recording costs or other financial and budgetary data.	Accountant, Accounting Manager, Accounting Officer, Accounting Supervisor, Business Analyst, Certified Public Accountant (CPA), Cost Accountant, General Accountant, Project Accountant, Staff Accountant
13-2031	Budget Analysts	Examine budget estimates for completeness, accuracy, and conformance with procedures and regulations. Analyze budgeting and accounting reports.	Accounting Supervisor, Analyst, Budget Analyst, Budget Coordinator, Budget Officer, Cost Accountant, Financial Services Officer, Management and Budget Analyst, Policy Analyst, Staff Analyst
13-2082	Tax Preparers	Prepare tax returns for individuals or small businesses.	Certified Income Tax Preparer (CTP), Corporate Tax Preparer, Enrolled Agent, Income Tax Preparer, Master Tax Advisor, Tax Advisor, Tax Associate, Tax Consultant, Tax Preparer, Tax Specialist
43-3031	Bookkeeping, Accounting, and Auditing Clerks	Compute, classify, and record numerical data to keep financial records complete. Perform any combination of routine calculating, posting, and verifying duties to obtain primary financial data for use in maintaining accounting records. May also check the accuracy of figures, calculations, and postings pertaining to business transactions recorded by other workers.	Account Clerk, Accounting Assistant, Accounting Associate, Accounting Clerk, Accounting Specialist, Accounting Technician, Accounts Payable Clerk, Accounts Payable Specialist, Accounts Payables Clerk, Accounts Receivable Clerk

Source: O\*NET Online

## Current and Future Employment

In the South Central Coast region, the number jobs related to Accounting is expected to increase over the next five years. Exhibit 2 contains detailed employment projections data for these occupations.

**Exhibit 2 – Five-year projections for Accounting in the South Central Coast region**

SOC	Occupation	2018 Jobs	2023 Jobs	2018-2023 Change	2018-2023 % Change
11-3031	Financial Managers	3,356	3,671	315	9%
13-2011	Accountants and Auditors	7,171	7,590	419	6%
13-2031	Budget Analysts	349	356	7	2%
13-2082	Tax Preparers	578	613	35	6%
43-3031	Bookkeeping, Accounting, and Auditing Clerks	11,097	11,095	-2	0%

Source: Economic Modeling Specialists International (EMSI)

## Earnings

In the South Central Coast region, the average wage for the listed occupations is \$28.64 per hour.

Exhibit 3 contains hourly wages and annual average earnings for this occupation. Entry-level hourly earnings is represented by the 25<sup>th</sup> percentile of wages, median hourly earnings is represented by the 50<sup>th</sup> percentile of wages, and experienced hourly earnings is represented by the 75<sup>th</sup> percentile of wages, demonstrating various levels of employment.

**Exhibit 3 – Earnings for Accounting in the South Central Coast region**

SOC	Occupation	Entry-Level Hourly Earnings	Median Hourly Earnings	Experienced Hourly Earnings
11-3031	Financial Managers	\$41.40	\$57.43	\$79.16
13-2011	Accountants and Auditors	\$27.75	\$36.17	\$48.84
13-2031	Budget Analysts	\$33.51	\$42.23	\$51.70
13-2082	Tax Preparers	\$16.99	\$25.35	\$42.70
43-3031	Bookkeeping, Accounting, and Auditing Clerks	\$17.57	\$22.32	\$27.67

Source: Economic Modeling Specialists International (EMSI)

## Employer Job Postings

In this research brief, real-time labor market information is used to provide a more nuanced view of the current job market, as it captures job advertisements for occupations relevant to the field of study. Employer job postings are consulted to understand who is employing accountants, and what they are looking for in potential candidates. To identify job postings related to Accounting, the following standard occupational classifications were used:

11-3031	<b>Financial Managers</b>
13-2011	<b>Accountants and Auditors</b>
13-2031	<b>Budget Analysts</b>
13-2082	<b>Tax Preparers</b>
43-3031	<b>Bookkeeping, Accounting, and Auditing Clerks</b>

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### Top Occupations

In 2018, there were 3,481 employer postings for occupations related to Accounting.

**Exhibit 4 – Top occupations in job postings**

SOC Code	Occupation	Job Postings, Full Year 2018
43-3031	Bookkeeping, Accounting, and Auditing Clerks	1,319
13-2011	Accountants and Auditors	981
11-3031	Financial Managers	918
13-2082	Tax Preparers	218
13-2031	Budget Analysts	45

Source: Labor Insight/Jobs (Burning Glass)

SOC Code	Occupation	Risk of Automation
43-3031	Bookkeeping, Accounting, and Auditing Clerks	High
13-2011	Accountants and Auditors	Low
11-3031	Financial Managers	Low
13-2082	Tax Preparers	High
13-2031	Budget Analysts	Low

### Top Titles

The top job titles for employers posting ads for accountants are listed in Exhibit 5. Bookkeeper is mentioned as the job title in 7% of all relevant job postings (248 postings).

**Exhibit 5 –Job titles**

<b>Title</b>	<b>Job Postings, Full Year 2018</b>
Bookkeeper	248
Staff Accountant	208
Tax Professional	179
Senior Accountant	170
Accountant	159
Accounting Clerk	155
Accounts Payable Clerk	124

Source: Labor Insight/Jobs (Burning Glass)

### Top Employers

Exhibit 6 lists the major employers hiring professionals in the Accounting field. The top employer posting job ads was H&R Block. The top worksite cities in the region for these occupations were Santa Clarita, Oxnard, Santa Barbara, Thousand Oaks, and Westlake Village.

**Exhibit 6 – Top employers (n=1,838)**

<b>Employer</b>	<b>Job Postings, Full Year 2018</b>
H&R Block	178
Bank of America	69
Amgen	46
JP Morgan Chase Company	37
Hertz Corporation	30

Source: Labor Insight/Jobs (Burning Glass)

## Skills

Accounting is the most sought after skill for employers hiring accountants.

**Exhibit 7 –Job skills (n=3,258)**

Skills	Job Postings, Full Year 2018
Accounting	2,240
Budgeting	732
General Ledger	674
Account Reconciliation	666
Accounts Payable/Accounts Receivable	594

Source: Labor Insight/Jobs (Burning Glass)

## Industry Concentration

Exhibit 8 shows the industries where most accountants are employed in the South Central Coast region. Note: 35% of records have been excluded because they do not include an industry. As a result, the chart below may not be representative of the full sample.

**Exhibit 8 – Industries employing the most accountants, 2018**

Industry	Occupation Group Jobs in Industry	% of Occupation Group in Industry
Finance and Insurance	516	23%
Professional, Scientific, and Technical Services	413	18%
Manufacturing	309	14%
Administrative and Support and Waste Management and Remediation Services	293	13%
Educational Services	156	7%

## Education and Training

Exhibit 9 shows the typical entry-level education requirements for the occupations of interest, along with the typical on-the-job training needed to attain competency in the occupation.

**Exhibit 9 – Education and training requirements**

SOC	Occupation	Typical entry-level education	Typical on-the-job training
11-3031	<b>Financial Managers</b>	Bachelor's Degree	None
13-2011	<b>Accountants and Auditors</b>	Bachelor's Degree	None
13-2031	<b>Budget Analysts</b>	Bachelor's Degree	None
13-2082	<b>Tax Preparers</b>	High school diploma or equivalent	Moderate-term on-the-job training
43-3031	<b>Bookkeeping, Accounting, and Auditing Clerks</b>	Some college, no degree	Moderate-term on-the-job training

Source: Bureau of Labor Statistics Employment Projections (Educational Attainment)

## Regional Completions and Openings

There were 716 regional completions (2017) and 2,828 regional openings (2017) in the South Central Coast region in programs related to the identified occupations.

<b>3</b> Regional Institutions had Related Programs (2017)	<b>716</b> Regional Completions (2017)	<b>2,828</b> Annual Openings (2017)
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Source: Economic Modeling Specialists International (EMSI)

## Related Programs

CIP Code	Program	Completions (2017)
52.0302	Accounting Technology/Technician and Bookkeeping	575
52.0301	Accounting	91
52.0801	Finance, General	50

Source: Economic Modeling Specialists International (EMSI)

## Student Outcomes

The CTE LaunchBoard provides student outcome data on the effectiveness of CTE programs. The following student outcome information was collected from exiters of the Accounting program (TOP Code: 0502.00) in the South Central Coast region for the 2015-16 academic year.

- The median annual wage for students after exiting is \$31,613
- Starting salary in the region for Brokerage Clerks is \$57,075
- 59% of students are earning a living wage
- 70% of students are employed within a year after completing a program

Source: CTE LaunchBoard

## Sources

O\*Net Online, Labor Insight/Jobs (Burning Glass), Economic Modeling Specialists International (EMSI), MIT Living Wage Calculator, Bureau of Labor Statistics (BLS) Education Attainment, California Community Colleges Chancellor's Office Management Information Systems (MIS) Data Mart, CTE LaunchBoard, Statewide CTE Outcomes Survey, Employment Development Department Unemployment Insurance Dataset

## Notes

Data included in this analysis represents the labor market demand for positions most closely related to accounting. Standard occupational classification (SOC) codes were chosen based on the national education level required for employment (associate degree and postsecondary certificate) as well as the proportion of current workers who hold a community college award or have had some community college training. This selection process narrows the labor market analysis to the most relevant employment opportunities for students with community college education and/or training.

Traditional labor market information was used to show current and projected employment based on data trends, as well as annual average awards granted by regional community colleges. Real-time labor market information captures job post advertisements for occupations relevant to the field of study and should not be used to establish current job openings, because the numbers may include duplicate job postings or postings intended to gather a pool of applicants. Real-time labor market information can signal demand and show what employers are looking for in potential employees, but is not a perfect measure of the quantity of open positions.