

**Program Endorsement Brief: 0506.40 – Small Business and Entrepreneurship
Entrepreneurship and Small Business Management (Certificate)**

Los Angeles/Orange County Center of Excellence, November 2021

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 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 five middle-skill occupations:

- *General and operations managers (11-1021),*
- *Administrative services and facilities managers (11-3011),*
- *Project management specialists and business operations specialists, all other (13-1198),*
- *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 Although two of the occupations in this report typically require a bachelor's degree, they are considered middle-skill because approximately one-third of workers in the field have completed some college or an associate degree. 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.

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.

Self-employed data is used in this report as a proxy for demand for individuals who may utilize entrepreneurial skills. Job posting information is not available for self-employed small business management and entrepreneurship occupations, as employer information does not provide insight into the requirements of self-employed individuals. The occupations included in this report were selected due to their relationship to entrepreneurial business skills, as well as their historical alignment with the small business and entrepreneurship program.

Based on the available data, there appears to be a supply gap for occupations related to small business management and entrepreneurship in the region and the majority of annual openings exceed the living wage in both Los Angeles and Orange counties. However, the Bureau of Labor Statistics (BLS) lists a bachelor's degree as the typical entry-level education for the majority of annual openings within the LA/OC region for this occupational group. **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 **21,610 jobs available annually** in the region due to new job growth and replacements, **which is more than the 13,555 awards conferred annually** by educational institutions in the region.
 - However, **only 2,384 of these job openings represent self-employed workers**, which is **11% of the annual job openings in LA/OC.**
- **Living Wage Criteria** – Within Los Angeles County, **the majority (70%) of annual job openings** for these small business management and entrepreneurship occupations have **entry-level wages above the self-sufficiency standard hourly wage** (\$18.10/hour).²
- **Educational Criteria** – Within the LA/OC region, **72% of the annual job openings** for occupations related to small business management and entrepreneurship **typically require a bachelor's degree.**
 - While the national-level educational attainment data indicates between 22.1% and 38.6% of workers in the field have completed some college or an associate degree, **two-thirds of the annual openings for these occupations have at least 31.6% of workers in the field who have completed some college or an associate degree.**

Supply:

- There are **27 community colleges** in the LA/OC region that issue awards related to business management or small business and entrepreneurship, conferring an average of **1,251 awards annually** between 2017 and 2020.
- Between 2016 and 2019, there was an average of **12,304 awards conferred annually** in related training programs by non-community college institutions throughout the region.

Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California on 11/17/2021. For more information, visit: <http://selfsufficiencystandard.org/california>.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for these occupations related to small business management and entrepreneurship. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to slightly decrease by less than 1% through 2024. There will be more than 21,600 job openings per year through 2025 due to job growth and replacements. While the small business management and entrepreneurship occupations in total are projected to slightly decrease, the number of self-employed small business management and entrepreneurship workers is projected to decrease by 5% through 2025. Despite this, there will be approximately 2,384 total job openings per year through 2025 due to replacements and workers leaving the field. Approximately 11% of the 21,600 total job openings for this occupational group are for self-employed individuals.

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 full impact of COVID-19 on projections of industry and occupational employment. Therefore, the projections included in this report do not take the full impacts of COVID-19 into account.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Employment Type	Geography	2020 Jobs	2025 Jobs	2020-2025 Change	2020-2025 % Change	Annual Openings
Self-Employed	Los Angeles	19,595	18,588	(1,007)	(5%)	1,807
All Workers	Los Angeles	184,442	183,622	(820)	(0%)	15,584
Self-Employed	Orange	6,236	5,983	(253)	(4%)	577
All Workers	Orange	70,413	70,644	231	0%	6,026
Self-Employed	LA/OC Region	25,831	24,571	(1,260)	(5%)	2,384
All Workers	LA/OC Region	254,856	254,267	(589)	(0%)	21,610

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.

Exhibit 2 displays the 2020 job counts for self-employed and all workers in the small business management and entrepreneurship occupational group as well as the percentage of self-employed workers. The rate of self-employment for *first-line supervisors of non-retail sales workers* and *first-line supervisors of retail sales workers* is higher than the middle-skill average self-employment rate of 10% in Los Angeles/Orange County across all occupations. Overall, 10% of jobs in the region for these five occupations are held by self-employed workers.

Exhibit 2: Entrepreneurship Self-Employment Rates in Los Angeles/Orange County

Occupation	Self-Employed 2020 Jobs	Employed and Self-Employed 2020 Jobs	% Self-Employed 2020
General and Operations Managers	1,245	92,068	1%
Administrative Services and Facilities Managers	105	16,206	1%
Project Management Specialists and Business Operations Specialists, All Other	1,828	80,526	2%
First-Line Supervisors of Retail Sales Workers	16,063	51,133	31%
First-Line Supervisors of Non-Retail Sales Workers	6,591	14,922	44%
Total	25,831	254,856	10%

Exhibit 3 displays middle-skill occupations with the highest self-employment rates in Los Angeles/Orange County. These occupations have not historically received entrepreneurship-based training, however, they may benefit from it.

Exhibit 3: Entrepreneurship Self-Employment Rates in Los Angeles/Orange County

Occupation	Self-Employed 2019 Jobs	Employed and Self-Employed 2019 Jobs	% Self-Employed 2019
Choreographers	169	172	98%
Barbers	2,171	2,240	97%
Artists and Related Workers, All Other	780	943	83%
Dancers	478	587	82%
Real Estate Sales Agents	18,592	22,820	81%
Photographers	7,721	10,383	74%

Wages

The labor market endorsement in this report considers the entry-level hourly wages for these small business management and entrepreneurship occupations in Los Angeles County as they relate to the county's self-sufficiency standard wage. Orange 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.

Los Angeles County—All Employees: The majority (70%) of annual openings for these small business management and entrepreneurship occupations have entry-level wages above the self-sufficiency standard wage for one adult (\$18.10 in Los Angeles County).⁴ Typical entry-level hourly wages are in a range between \$15.09 and \$37.26. Three occupations in this report have entry-level wages above the self-sufficiency standard wage: *administration and facilities managers* (\$37.26), *general and operations managers* (\$35.58), and *project management specialists and business operations specialists, all other* (\$26.06). Experienced workers can expect to earn wages between \$26.23 and \$88.14, which are higher than the self-sufficiency standard.

Los Angeles County—Self-Employed: All of the annual openings for these self-employed small business management and entrepreneurship occupations have entry-level wages below the self-sufficiency standard wage for one adult (\$18.10 in Los Angeles County). Typical entry-level hourly wages are in a range between \$7.05 and \$16.70. Experienced workers can expect to earn wages between \$27.67 and \$68.56, which are higher than the living wage estimate.

Orange County—All Employees: The majority (74%) of annual openings for these small business management and entrepreneurship occupations have entry-level wages above the self-sufficiency standard wage for one adult (\$20.63 in Orange County).⁵ Typical entry-level hourly wages are in a range between \$14.69 and \$36.80. Three occupations in this report have entry-level wages above the self-sufficiency standard wage: *administration and facilities managers* (\$36.80), *general and operations managers* (\$35.68), and *project management specialists and business operations specialists, all other* (\$25.66). Experienced workers can expect to earn wages between \$25.20 and \$88.11, which are higher than the self-sufficiency standard.

Orange County—Self-Employed: All of the annual openings for these self-employed small business management and entrepreneurship occupations have entry-level wages below the self-sufficiency standard wage for one adult (\$18.10 in Los Angeles County). Typical entry-level hourly wages are in a range between \$7.05 and \$16.67. Experienced workers can expect to earn wages between \$27.65 and \$68.42, which are higher than the living wage estimate.

Job Postings

There were 55,380 online job postings related to small business management and entrepreneurship listed in the past 12 months. The highest number of job postings were for assistant store managers, store managers, operations managers, general managers, and managers. The top skills were: retail industry knowledge, scheduling, customer service, budgeting,

⁴ Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California on 11/17/2021. For more information, visit: <http://selfsufficiencystandard.org/california>.

⁵ Ibid.

and sales. The top three employers, by number of job postings, in the region were: Anthem Blue Cross, Raytheon, and CVS Health.

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 full 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 *general and operations managers, administrative services and facilities managers, and project management specialists and business operations specialists*, and a high school diploma for *first-line supervisors of retail sales workers and first-line supervisors of non-retail sales workers*. In the LA/OC region, the majority of annual job openings (72%) typically require a bachelor’s degree. While the national-level educational attainment data indicates between 22.1% and 38.6% of workers in the field have completed some college or an associate degree, two-thirds of the annual openings for these occupations have at least 31.6% of workers in the field who have completed some college or an associate degree. Of the 61% of small business management and entrepreneurship job postings listing a minimum education requirement in Los Angeles/Orange County, 52% (17,453) requested a bachelor’s degree, 44% (14,659) requested a high school diploma, and 4% (1,433) requested an associate degree.

Educational Supply

Community College Supply—Exhibit 4 shows the annual and three-year average number of awards conferred by community colleges in the related TOP codes: Business Management (0506.00), and Small Business and Entrepreneurship (0506.40). The colleges with the most completions in the region are: Cerritos, Mt. San Antonio, and Coastline. Over the past 12 months, there were thirteen other related program recommendation requests from regional community colleges.

Exhibit 4: Regional community college awards (certificates and degrees), 2017-2020

TOP Code	Program	College	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
0506.00	Business Management	Cerritos	405	456	516	459
		Citrus	1	2	-	1
		Compton	2	3	-	2
		East LA	26	29	18	24
		El Camino	23	23	33	26
		Glendale	10	9	13	11
		LA City	15	18	39	24
		LA Mission	4	3	1	3
		LA Pierce	-	3	2	2
		LA Valley	30	33	36	33

TOP Code	Program	College	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
		Long Beach	22	21	29	24
		Mt San Antonio	161	202	145	169
		Santa Monica	18	23	-	14
		LA Subtotal	717	825	832	791
		Coastline	71	84	72	76
		Cypress	6	6	3	5
		Fullerton	11	11	12	11
		Golden West	8	20	8	12
		Irvine	9	3	14	9
		N. Orange Adult	24	27	36	29
		Orange Coast	51	40	16	36
		Santa Ana	81	64	71	72
		Santiago Canyon	42	17	24	28
		OC Subtotal	303	272	256	277
		Supply Subtotal/Average	1,020	1,097	1,088	1,068
0506.40	Small Business and Entrepreneurship	Cerritos	21	34	38	31
		Citrus	1	2	-	1
		East LA	-	-	4	1
		Glendale	2	-	1	1
		LA City	3	7	5	5
		LA Pierce	-	4	4	3
		LA Trade	7	6	6	6
		Mt San Antonio	18	32	26	25
		Pasadena	5	3	9	6
		Rio Hondo	15	7	6	9
		Santa Monica	10	9	19	13
		West LA	3	5	4	4
		LA Subtotal	85	109	122	105
		Coastline	10	5	4	6
		Cypress	2	4	7	4
		Fullerton	3	4	3	3
		Golden West	3	2	13	6
		Irvine	18	48	56	41
		Saddleback	10	8	14	11
		Santa Ana	4	7	5	5

TOP Code	Program	College	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
		Santiago Canyon	4	-	-	1
		OC Subtotal	54	78	102	78
		Supply Subtotal/Average	139	187	224	183
		Supply Total/Average	1,159	1,284	1,312	1,252

Non-Community College Supply — For a comprehensive regional supply analysis, it is also important to consider the supply from other institutions in the region that provide training programs for small business management and entrepreneurship. Exhibit 5 shows the annual and three-year average number of awards conferred by these institutions in the related Classification of Instructional Programs (CIP) Codes: Business Administration and Management, General (52.0201), and Entrepreneurship/Entrepreneurial Studies (52.0701). Due to different data collection periods, the most recent three-year period of available data is from 2016 to 2019. Between 2016 and 2019, non-community college institutions in the region conferred an average of 12,304 awards.

Exhibit 5: Regional non-community college awards, 2016-2019

CIP Code	Program	Institution	2016-17 Awards	2017-18 Awards	2018-19 Awards	3-Year Average
52.0201	Business Administration and Management, General	Abraham Lincoln Univ.	-	1	4	2
		Advanced College	1	-	-	0
		Azusa Pacific University	111	113	123	116
		Bethesda University	8	22	24	18
		Biola University	116	87	113	105
		Brandman University	143	152	121	139
		CA Intercontinental Univ.	5	5	3	4
		Cal State Poly Univ.-Pomona	1,312	1,469	1,192	1,324
		CSU-Dominguez Hills	505	571	561	546
		CSU-Fullerton	2,155	2,306	2,462	2,308
		CSU-Long Beach	1,275	1,437	1,447	1,386
		CSU-Los Angeles	812	1,039	1,078	976
		CSU-Northridge	604	695	717	672
		CA Univ. of Management and Sciences	-	-	1	0
		Chapman University	381	366	376	374
		Claremont Graduate Univ.	44	46	39	43
		Concordia Univ.-Irvine	97	95	98	97
DeVry University-CA	192	144	105	147		
Hope International University	20	31	52	34		

CIP Code	Program	Institution	2016-17 Awards	2017-18 Awards	2018-19 Awards	3-Year Average
		Learnnet Academy	4	17	-	7
		Life Pacific University	5	15	11	10
		Los Angeles ORT College	32	24	32	29
		Los Angeles Pacific College	-	-	3	1
		Los Angeles Pacific Univ.	-	-	1	0
		Loyola Marymount Univ.	-	-	32	11
		Marymount California Univ.	57	67	65	63
		Mount Saint Mary's Univ.	48	41	40	43
		Mt Sierra College	10	10	-	7
		Pacific States University	-	2	2	1
		Pepperdine University	200	191	255	215
		Platt College-Anaheim	-	2	8	3
		Platt College-Los Angeles	9	8	6	8
		The Master's University and Seminary	45	71	64	60
		Trident Univ. International	407	339	293	346
		UC-Irvine	159	205	260	208
		University of La Verne	303	349	314	322
		University of Phoenix-CA	1,214	1,309	1,161	1,228
		University of Southern CA	1,023	993	1,022	1,013
		University of the People	41	67	75	61
		University of the West	6	15	6	9
		Vanguard University of Southern California	83	78	71	77
		Westcliff University	148	83	97	109
		Whittier College	81	57	73	70
		Woodbury University	44	40	23	36
52.0701	Entrepreneurship/ Entrepreneurial Studies	Azusa Pacific University	-	1	-	0
		CA Intercontinental Univ.	3	-	-	1
		Loyola Marymount Univ.	72	74	66	71
		Mount Saint Mary's Univ.	-	-	1	0
		Mt Sierra College	3	-	-	1
		Pitzer College	-	-	1	0
Total/Average			11,778	12,637	12,498	12,304

Appendix A: Occupational demand and wage data by county

Exhibit 6a. Los Angeles County – All Employed

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
General and Operations Managers (11-1021)	66,005	66,190	186	0%	4,937	\$35.58	\$54.95	\$88.14
Administrative Services and Facilities Managers (11-3011)	11,980	12,173	193	2%	933	\$37.26	\$52.13	\$66.97
Project Management Specialists and Business Operations Specialists, All Other (13-1198)	57,618	58,830	1,212	2%	5,242	\$26.06	\$37.06	\$52.58
First-Line Supervisors of Retail Sales Workers (41-1011)	37,992	36,335	(1,657)	(4%)	3,610	\$15.09	\$19.11	\$26.23
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	10,847	10,094	(753)	(7%)	861	\$17.29	\$27.87	\$42.81
Total	184,442	183,622	(820)	(0%)	15,584	-	-	-

Exhibit 6b. Los Angeles County - Self-Employed

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
General and Operations Managers (11-1021)	948	983	34	4%	78	\$12.71	\$22.59	\$43.17
Administrative Services and Facilities Managers (11-3011)	80	87	7	9%	8	\$13.34	\$26.00	\$46.50
Project Management Specialists and Business Operations Specialists, All Other (13-1198)	1,353	1,627	274	20%	182	\$16.70	\$33.59	\$68.56
First-Line Supervisors of Retail Sales Workers (41-1011)	12,233	11,344	(889)	(7%)	1,147	\$7.05	\$14.68	\$27.67
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	4,980	4,548	(433)	(9%)	392	\$10.05	\$19.10	\$38.26
Total	19,595	18,588	(1,007)	(5%)	1,807	-	-	-

Exhibit 7a. Orange County – All Employees

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
General and Operations Managers (11-1021)	26,063	26,455	393	2%	2,019	\$35.63	\$54.98	\$88.11
Administrative Services and Facilities Managers (11-3011)	4,226	4,314	88	2%	334	\$36.80	\$51.47	\$66.15
Project Management Specialists and Business Operations Specialists, All Other (13-1198)	22,908	23,462	554	2%	2,102	\$25.66	\$36.47	\$51.73
First-Line Supervisors of Retail Sales Workers (41-1011)	13,141	12,554	(588)	(4%)	1,244	\$14.69	\$18.38	\$25.20
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	4,075	3,859	(216)	(5%)	326	\$18.47	\$29.38	\$44.20
Total	70,413	70,644	231	0%	6,026	-	-	-

Exhibit 7b. Orange County – Self-Employed

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
General and Operations Managers (11-1021)	297	306	9	3%	24	\$12.67	\$22.52	\$43.02
Administrative Services and Facilities Managers (11-3011)	25	27	2	8%	2	\$13.37	\$26.06	\$46.61
Project Management Specialists and Business Operations Specialists, All Other (13-1198)	474	562	88	19%	62	\$16.67	\$33.52	\$68.42
First-Line Supervisors of Retail Sales Workers (41-1011)	3,830	3,644	(186)	(5%)	363	\$7.05	\$14.67	\$27.65
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	1,610	1,444	(167)	(10%)	126	\$10.05	\$19.11	\$38.27
Total	6,236	5,983	(253)	(4%)	577	-	-	-

Exhibit 8a. Los Angeles and Orange Counties – All Employees

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Typical Entry-Level Education
General and Operations Managers (11-1021)	92,068	92,646	578	1%	6,957	Bachelor's degree
Administrative Services and Facilities Managers (11-3011)	16,206	16,487	281	2%	1,268	Bachelor's degree
Project Management Specialists and Business Operations Specialists, All Other (13-1198)	80,526	82,293	1,766	2%	7,344	Bachelor's degree
First-Line Supervisors of Retail Sales Workers (41-1011)	51,133	48,889	(2,245)	(4%)	4,854	HS diploma or equivalent
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	14,922	13,953	(969)	(6%)	1,187	HS diploma or equivalent
Total	254,856	254,267	(589)	(0%)	21,610	-

Exhibit 8b. Los Angeles and Orange Counties – Self-Employed

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Typical Entry-Level Education
General and Operations Managers (11-1021)	1,245	1,289	44	4%	102	Bachelor's degree
Administrative Services and Facilities Managers (11-3011)	105	114	9	9%	10	Bachelor's degree
Project Management Specialists and Business Operations Specialists, All Other (13-1198)	1,828	2,189	362	20%	243	Bachelor's degree
First-Line Supervisors of Retail Sales Workers (41-1011)	16,063	14,987	(1,075)	(7%)	1,510	HS diploma or equivalent
First-Line Supervisors of Non-Retail Sales Workers (41-1012)	6,591	5,991	(599)	(9%)	518	HS diploma or equivalent
Total	25,831	24,571	(1,260)	(5%)	2,384	-

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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