CENTER OF EXCELLENCE FOR LABOR MARKET RESEARCH
LOS ANGELES

Labor Market Analysis: 0504.00 – Banking and Finance

Finance and Banking – Certificate requiring 16 to fewer than 30 semester units

Los Angeles Center of Excellence, November 2024

Program Endorsement:	Endorsed: All Criteria Met ☐	Endorsed: Some Criteria Met ☒	Not Endorsed ☐

Program Endorsement Criteria		
Supply Gap:	Yes ☑	No ☐
Living Wage: (Entry-Level, 25th)	Yes ☐	No ☑
Education:	Yes ☑	No ☐
Emerging Occupation(s)		
Yes ☐		No ☑

SUMMARY

This report analyzes whether local labor market demand is being met by community college programs aligned with the identified middle-skill occupations[1] or whether a shortage of workers exists. Labor market demand is measured by annual job openings while education supply is measured by the number of awards (degrees and certificates) conferred on average each year.

Based on the available data, there appears to be a supply gap for the five identified middle-skill occupations in the region. While the majority of annual openings in the region have entry-level wages that are lower than the self-sufficiency standard, more than one-third of current workers in the field have completed an associate degree or some college as their highest educational attainment.

Recommendation: Due to two of three program endorsement criteria being met, the Los Angeles Center of Excellence for Labor Market Research (LA COE) endorses this proposed program.

Key Findings

Supply Gap

- 1,976 annual job openings are projected in the region through 2028. This number is greater than the three-year average of 71 awards conferred by educational institutions in the region.

[1] Middle-skill occupations typically require some postsecondary education, but less than a bachelor's degree. 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.

Living Wage

- 95% of annual job openings for these middle-skill banking and finance occupations have entry-level wages **below** Los Angeles County's self-sufficiency standard hourly wage ($24.03/hour).[2]

Educational Attainment

- 95% of the annual job openings typically require a high school diploma or equivalent for middle-skill occupations related to banking and finance in the LA/OC region.
- 33%-49% of workers in the field have completed some college or an associate degree, according to national educational attainment data.

Community college supply

- 10 community colleges issued awards related to banking and finance in the greater LA/OC region.
- 71 awards (degrees and certificates) were conferred on average each year between 2021 and 2023.

Other postsecondary supply

- Currently, no educational institutions in the LA/OC region have conferred sub-baccalaureate awards in programs related to banking and finance over the past three years.

TARGET OCCUPATIONS

LA COE prepared this report to provide regional labor market and postsecondary supply data related to five middle-skill occupations. Although one occupation in this report typically requires a bachelor's degree, it is considered middle-skill because approximately one-third of workers in the field have completed some college or an associate degree. For full occupation descriptions, please see Appendix.

- ***Credit Counselors* (13-2071)**[3]
- ***Bill and Account Collectors* (43-3011)**[4]
- ***Credit Authorizers, Checkers, and Clerks* (43-4041)**[5]
- ***Loan Interviewers and Clerks* (43-4131)**[6]
- ***New Accounts Clerks* (43-4141**[7]

OCCUPATIONAL DEMAND

Exhibit 1 shows the five-year occupational demand projections for these middle-skill banking and finance occupations. In the greater Los Angeles/Orange County region, the number of jobs related to these occupations is projected to decrease by 9% through 2028. However, there will

[2] Center for Women's Welfare, University of Washington. (2024). *The self-sufficiency standard for California 2024*. http://selfsufficiencystandard.org/California.
[3] Credit Counselors (bls.gov)
[4] Bill and Account Collectors (bls.gov)
[5] Financial Clerks (bls.gov)
[6] Loan Interviewers and Clerks (bls.gov)
[7] Financial Clerks (bls.gov)

be nearly 2,000 job openings per year through 2028 due to retirements and workers leaving the field. The majority of jobs in 2023 for these middle-skill banking and finance occupations (66%) were located in Los Angeles County.

Exhibit 1: Current employment and occupational demand, Los Angeles and Orange counties[8]

Geography	2023 Jobs	2028 Jobs	2023-2028 Change	2023-2028 % Change	Annual Openings
Los Angeles	14,215	13,184	(1,031)	(7%)	1,322
Orange	7,312	6,325	(986)	(13%)	654
Total	**21,527**	**19,510**	**(2,017)**	**(9%)**	**1,976**

Detailed Occupation Data

Exhibit 2 displays the current employment and projected occupational demand for each of the target occupations in Los Angeles County. Positive scores for automation resilience[9] reflect a lower-than-average threat of the occupation(s) being replaced by automation, while negative scores reflect a greater-than-average risk of automation. The average percentage of workers aged 55+ across all occupations in the Los Angeles/Orange County region is 26%; occupations with a larger share of workers aged 55 and older typically have greater replacement needs to offset the amount of impending retirements. On average, 81% of workers across all occupations in California are employed full-time. Occupations with a lower-than-average percentage of full-time workers may have less employment security but may see increased activity in the gig economy.

Exhibit 2: Detailed employment and occupational demand, Los Angeles County[10]

Occupation	2023 Jobs	2028 Jobs	5-Yr % Change	Annual Openings	Auto-mation Resilience	% Aged 55 and older	% Full Time Workers
Credit Counselors	966	985	2%	72	8.0	19%	90%
Bill and Account Collectors	8,591	7,955	(7%)	881	1.4	22%	100%
Credit Authorizers, Checkers, and Clerks	326	306	(6%)	27	2.2	23%	100%
Loan Interviewers and Clerks	4,061	3,672	(10%)	318	2.7	18%	53%
New Accounts Clerks	271	267	(2%)	25	2.4	19%	Data unavail.
Total	**14,215**	**13,184**	**(7%)**	**1,322**	**-**	**-**	**-**

[8] Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.
[9] Automation risk is calculated based on the percentage of time spent on high-risk compared to low-risk work, the number of high-risk jobs in compatible occupations, and the overall industry automation risk.
[10] Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

WAGES

The labor market endorsement in this report considers the entry-level hourly wages for these middle-skill banking and finance 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 greater Los Angeles/Orange County region.

Los Angeles County

The majority, 95%, of annual openings for these middle-skill banking and finance occupations have entry-level wages below the self-sufficiency standard wage for one adult ($24.03 in Los Angeles County). Typical entry-level hourly wages are in a range between $15.51 and $24.97. (Exhibit 3).

One occupation has entry-level wages above the self-sufficiency standard wage:

- *Credit counselors*, $24.97

Experienced workers can expect to earn wages between $23.59 and $35.64, which are higher than the self-sufficiency standard.

Exhibit 3: Earnings for occupations in Los Angeles County

Occupation	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)	Median Annual Earnings*
Credit Counselors	$24.97	$30.69	$35.64	$63,800
Bill and Account Collectors	$21.51	$21.52	$27.21	$44,800
Credit Authorizers, Checkers, and Clerks	$15.51	$19.25	$23.59	$40,000
Loan Interviewers and Clerks	$19.32	$24.10	$29.89	$50,100
New Accounts Clerks	$22.06	$27.44	$30.33	$57,100

*Rounded to the nearest $100

Orange County

All four occupations have entry-level wages below the self-sufficiency standard wage for one adult ($27.13 in Orange County). Typical entry-level hourly wages are in a range between $16.17 and $22.89 (Exhibit 4). Experienced *credit authorizers, checkers, and clerks* can expect to earn $23.56, which is lower than the self-sufficiency standard. However, experienced *credit counselors, bill and account collectors, loan interviewers and clerks, and new accounts clerks* can expect to earn between $27.57 and $32.30, which is higher than the self-sufficiency standard wage.

Exhibit 4: Earnings for occupations in Orange County

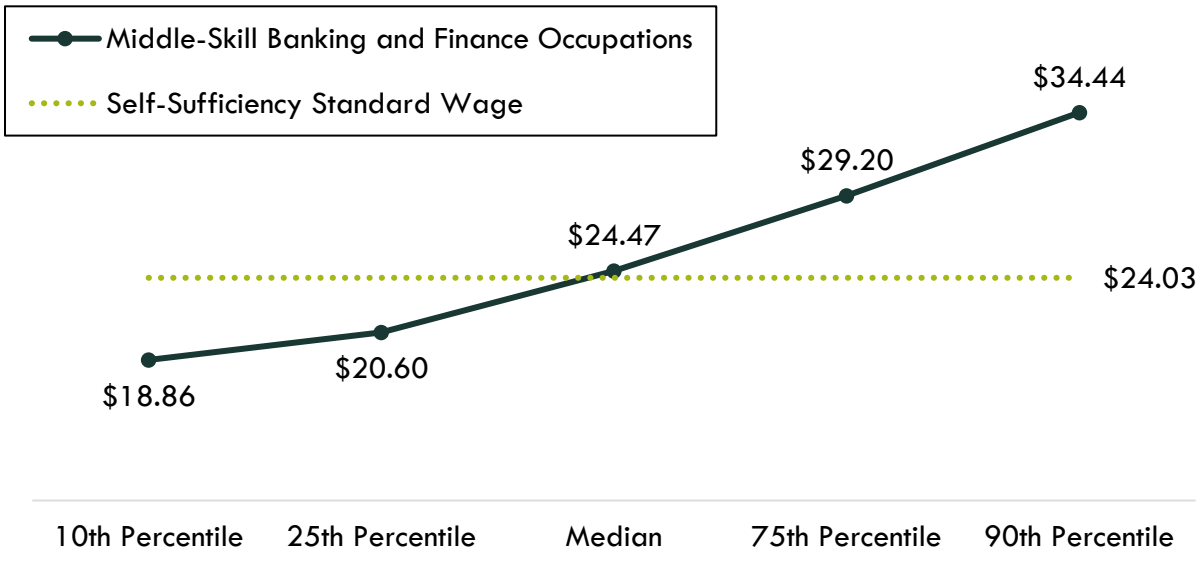
Occupation	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)	Median Annual Earnings*
Credit Counselors	$22.60	$27.80	$32.30	$57,800
Bill and Account Collectors	$21.81	$21.81	$27.57	$45,400

Occupation	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)	Median Annual Earnings*
Credit Authorizers, Checkers, and Clerks	$16.17	$19.22	$23.56	$40,000
Loan Interviewers and Clerks	$18.59	$23.20	$28.76	$48,300
New Accounts Clerks	$22.89	$28.46	$31.46	$59,200

*Rounded to the nearest $100

Across the greater Los Angeles and Orange County region, the average entry-level hourly earnings for the occupations in this report are $20.60; this is below the living wage for one single adult in Los Angeles County ($24.03). Exhibit 5 shows the average hourly wage for the occupations in this report for entry-level to experienced workers.

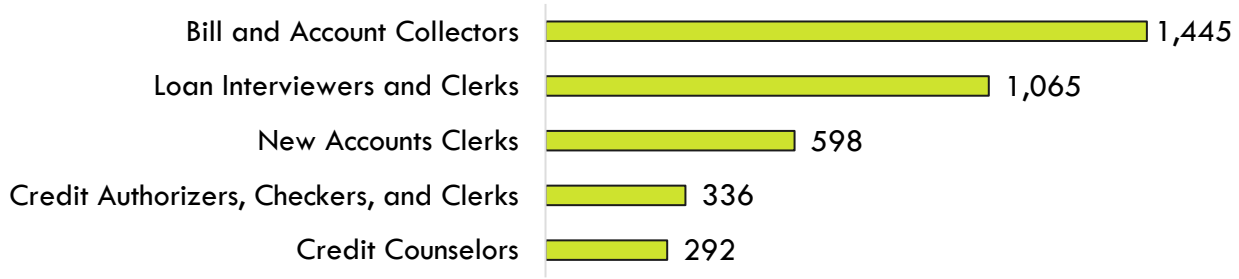
Exhibit 5: Average hourly earnings for middle-skill banking and finance occupations, Los Angeles and Orange counties



JOB POSTINGS

There were 3,751 online job postings related to banking and finance listed in the past 12 months in Los Angeles and Orange counties. Exhibit 6 displays the number of job postings by occupation. The majority of job postings (39%) were for *bill and account collectors*, followed by *loan interviewers and clerks* (29%) and *new accounts clerks* (16%).

Exhibit 6: Job postings by occupation (last 12 months), Los Angeles and Orange counties



Job postings were analyzed for the most common job titles, skills, and employers associated with the target occupations in this report (Exhibit 7).

Exhibit 7: Most commonly requested job titles, skills and employers in job postings, Los Angeles and Orange counties

Top Job Titles	Top Skills	Top Employers
• Personal bankers • Collections specialists • Collections representatives • Personal bankers associate • Loan processors	• Loans/Mortgage loans • Bills • Accounting • Balancing (ledger/billing)	• Wells Fargo • Robert Half* • Advantage Credit Union • JPMorgan Chase • University of California

*Robert Half

In the greater Los Angeles/Orange County region, 51% of the middle-skill banking and finance job postings listed a minimum educational requirement. Exhibit 8 details the number and percentage of job postings by educational level.

Exhibit 8: Education levels requested in job postings for occupations related to banking and finance, Los Angeles and Orange counties

Education Level	Job Postings	% of Job Postings
Bachelor's degree	613	32%
Associate degree	151	8%
High school diploma or vocational training	1,164	60%

EDUCATIONAL ATTAINMENT

In the greater Los Angeles/Orange County region, the majority of annual job openings (95%) typically require a high school diploma or equivalent (Exhibit 9). However, the national-level data indicates between 33% and 49% of workers in the field have completed some college or an associate degree as their highest level of educational attainment. The Bureau of Labor Statistics (BLS) lists the following typical entry-level education levels for the occupations in this report:

Exhibit 9: Entry-level education preferred by employers nationally, Bureau of Labor Statistics

Occupation	Education Level
Credit Counselors	Bachelor's degree
Bill and Account Collectors	High school diploma or equivalent
Credit Authorizers, Checkers, and Clerks	High school diploma or equivalent
Loan Interviewers and Clerks	High school diploma or equivalent
New Accounts Clerks	High school diploma or equivalent

EDUCATIONAL SUPPLY

Community College Supply

Exhibit 10 shows the annual and three-year average number of awards conferred by community colleges in the related TOP code: Banking and Finance (0504.00). The colleges with the most completions in the region are LA Valley, LA City, and Glendale. Currently, there are no other postsecondary institutions in the greater LA/OC region that have conferred bachelor's or sub-baccalaureate awards in the CIP code most aligned with training for middle-skill banking and finance occupations: Banking and Financial Support Services (52.0803).

Exhibit 10: Regional community college awards (certificates and degrees), 2021-2023

TOP Code	Program	College	2020-21 Awards	2021-22 Awards	2022-23 Awards	3-Year Average
0504.00	Banking and Finance	Glendale	3	3	14	7
		LA City	12	7	8	9
		LA Pierce	9	3	4	5
		LA Southwest	-	-	3	1
		LA Valley	36	40	34	37
		Long Beach	3	1	5	3
		Pasadena	2	5	7	5
		Rio Hondo	-	-	1	0
		LA Subtotal	**65**	**59**	**76**	**67**
		Santa Ana	-	1	-	0
		Santiago Canyon	-	-	12	4
		OC Subtotal	**-**	**1**	**12**	**4**
		Supply Total/Average	**65**	**60**	**88**	**71**

APPENDIX: OCCUPATION DESCRIPTIONS

LA COE prepared this report to provide regional labor market supply and demand data related to these target occupations:

- ***Credit Counselors* (13-2071)** Advise and educate individuals or organizations on acquiring and managing debt. May provide guidance in determining the best type of loan and explain loan requirements or restrictions. May help develop debt management plans or student financial aid packages. May advise on credit issues, or provide budget, mortgage, bankruptcy, or student financial aid counseling.[11]
- ***Bill and Account Collectors* (43-3011)** Locate and notify customers of delinquent accounts by mail, telephone, or personal visit to solicit payment. Duties include receiving payment and posting amount to customer's account, preparing statements to credit department if customer fails to respond, initiating repossession proceedings or service disconnection, and keeping records of collection and status of accounts.[12]
- ***Credit Authorizers, Checkers, and Clerks* (43-4041)** Authorize credit charges against customers' accounts. Investigate history and credit standing of individuals or business establishments applying for credit. May interview applicants to obtain personal and financial data, determine credit worthiness, process applications, and notify customers of acceptance or rejection of credit.[13]
- ***Loan Interviewers and Clerks* (43-4131)** Interview loan applicants to elicit information; investigate applicants' backgrounds and verify references; prepare loan request papers; and forward findings, reports, and documents to appraisal department. Review loan papers to ensure completeness, and complete transactions between loan establishment, borrowers, and sellers upon approval of loan.[14]
- ***New Accounts Clerks* (43-4141)** Interview persons desiring to open accounts in financial institutions. Explain account services available to prospective customers and assist them in preparing applications.[15]

[11] Credit Counselors (bls.gov)
[12] Bill and Account Collectors (bls.gov)
[13] Financial Clerks (bls.gov)
[14] Loan Interviewers and Clerks (bls.gov)
[15] Financial Clerks (bls.gov)

Contact information:
Luke Meyer, Director

Los Angeles Center of Excellence

Lmeyer7@mtsac.edu

If for any reason this document is not accessible or if you have specific needs for readability, please contact us and we will do our utmost to accommodate you with a modified version.

CENTER OF EXCELLENCE
FOR LABOR MARKET RESEARCH

POWERED BY
California Community Colleges

DATA SOURCES

- O*NET Online
- Lightcast (formerly Emsi)
- Bureau of Labor Statistics (BLS)
- California Employment Development Department, Labor Market Information Division, OES
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- Self-Sufficiency Standard at the Center for Women's Welfare, University of Washington
- Chancellor's Office Curriculum Inventory (COCI 2.0)

Important Disclaimer: All representations included in this report have been produced from primary research and/or secondary review of publicly and/or privately available data and/or research reports. Efforts have been made to qualify and validate the accuracy of the data and the reported findings; however, neither the Centers of Excellence, COE host District, nor California Community Colleges Chancellor's Office are responsible for applications or decisions made by recipient community colleges or their representatives based upon components or recommendations contained in this study.

© 2024 California Community Colleges Chancellor's Office,
Centers of Excellence for Labor Market Research, Economic and Workforce Development Program