

Program Endorsement Brief: 0506.00 – Business Management Human Resources Management – Levels I and II (Certificate)

Los Angeles/Orange County Center of Excellence, October 2021

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Program Endorsemen	Endorsed: nt: All Criteria Met		Endorsed: Some Criteria Met	X	Not Endorsed					
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Supply Gap:	Yes \square	No ☑ (See comments below)								
Living Wage: (Entry-Level, 25 th)	Yes 🗹	Yes 🗹			No □					
Education:	Yes 🗹	Yes 🗹			No □					
Emerging Occupation(s)										
Ye	es 🗆		No ☑							

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 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. 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 does not appear to be a supply gap for these two middle-skill human resources occupations in the region. However, the oversupply is with the COE's acceptable margin (25% over or under the number of annual openings) and is therefore considered "supply met" rather than a "supply gap." Furthermore, the program used for the supply side of this analysis is Business Management (TOP 0506.00), which is where most HR programs are coded throughout the state. However, traditional business management programs focus on much more than just human resources. Also, there are also HR programs coded at several other TOP codes. When there is not a dedicated TOP code for a specific program area such as human resources, it is challenging to accurately gauge relevant completions, which increases the margin of error in the analysis. Thus, given that the oversupply is within an acceptable margin, the majority of annual openings for these middle-skill human resources occupation have entry-level wages above the self-sufficiency standard for one adult in Los Angeles County, and more than 40% of current workers in these occupations has completed some college or an associate degree, the COE endorses this proposed program. Detailed reasons include:

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.

Demand:

- Supply Gap Criteria Over the next five years, there is projected to be 1,065 jobs available annually in the region due to retirements and workers leaving the field, which is less than the 1,235 awards conferred annually by educational institutions in the region.
 - Although there are more awards conferred than job openings, the data suggests that the demand has been met for these occupations within the LA/OC region since the three-year average number of awards (supply) is within the COE's 25% margin of annual job openings (demand).
 - Furthermore, over the past 12 months, there were 5,561 online job postings related to these middle-skill human resources occupations. The highest number of job postings were for human resources assistants, payroll specialists, payroll administrators, payroll clerks, and payroll coordinators.
- Living Wage Criteria Within Los Angeles County, the majority (60%) of annual job openings for these middle-skill human resources occupations have entry-level wages above the self-sufficiency standard hourly wage (\$18.10/hour).²
- Educational Criteria Within the LA/OC region, 60% of the annual job openings for these middle-skill occupations related to human resources typically require a high school diploma.
 - However, the national-level educational attainment data indicates between
 40.1% and 47.7% of workers in the field have completed some college or an associate degree.

Supply:

- There are 22 community colleges in the LA/OC region that issue awards related to business management, conferring an average of 1,068 awards annually between 2017 and 2020.
- Between 2016 and 2019, there was an average of 167 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 decrease by 3% through 2025. However, there will be nearly 1,100 job openings per year through 2025 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.

Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California on 10/11/2021. For more information, visit: http://selfsufficiencystandard.org/california.

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

Geography	2020 Jobs	2025 Jobs	2020-2025 Change	2020-2025 % Change	Annual Openings
Los Angeles	<i>7,</i> 883	7,585	(297)	(4%)	767
Orange	3,039	2,976	(63)	(2%)	298
Total	10,921	10,561	(360)	(3%)	1,065

Wages

The labor market endorsement in this report considers the entry-level hourly wages for these middle-skill human resources 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—The majority (60%) of annual openings for these middle-skill human resources 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 \$17.38 and \$20.51. While payroll and timekeeping clerks typically have entry-level wages above the county's self-sufficiency standard (\$20.51), human resources assistants, except payroll and timekeeping typically have entry-level wages below the self-sufficiency standard (\$17.38). Experienced workers can expect to earn wages between \$28.28 and \$31.57, which are higher than the self-sufficiency standard.

Orange County—All of the annual openings for these middle-skill human resources occupations have entry-level wages below the self-sufficiency standard wage for one adult (\$20.63 in Orange County).⁵ Typical entry-level hourly wages are in a range between \$16.99 and \$19.98. Experienced workers can expect to earn wages between \$27.66 and \$30.75, which are higher than the self-sufficiency standard.

Job Postings

There were 5,561 online job postings related to middle-skill human resources occupations listed in the past 12 months. Of these job postings, 56% were for payroll and timekeeping clerks, and 44% were for human resources assistants, except payroll and timekeeping. The highest number of job postings were for human resources assistants, payroll specialists, payroll administrators, payroll clerks, and payroll coordinators. The top skills were: payroll processing, data entry, accounting, customer service, and human resource information system (HRIS). The top three employers, by

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 Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California on 10/11/2021. For more information, visit: http://selfsufficiencystandard.org/california.

⁵ Ibid.

number of job postings, in the region were: Emanate Health, University of California, and Cast & Crew Entertainment 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 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 an associate degree as the typical entry-level education for human resources assistants, except payroll and timekeeping, and a high school diploma for payroll and timekeeping clerks. In the LA/OC region, the majority of annual job openings (60%) typically require a high school diploma. However, the national-level educational attainment data indicates between 40.1% and 47.7% of workers in the field have completed some college or an associate degree. Of the 59% of middle-skill human resources job postings listing a minimum education requirement in Los Angeles/Orange County, 51% (1,684) requested a high school diploma, 37% (1,217) requested a bachelor's degree and 12% (381) requested an associate degree.

Educational Supply

Community College Supply—Exhibit 2 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 four other related program recommendation requests from regional community colleges.

Please note that there is not a dedicated TOP code for Human Resources programs, but the majority of HR programs across the state are coded under Business Management (0506.00). According to COCI, only four colleges in the LA/OC region have Business Management (0506.00) programs that focus on Human Resources: Glendale, Golden West, Fullerton, and Mt. San Antonio.

Exhibit 2: Regional community college awards (certificates and degrees), 2017-2020

TOP Code	Program	College	2017- 2018 Awards	2018- 2019 Awards	2019- 2020 Awards	3-Year Award Average
		Cerritos	405	456	516	459
		Citrus	1	2	-	1
	Business Management	Compton	2	3	-	2
		East LA	26	29	18	24
0506.00		El Camino	23	23	33	26
0306.00		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- 2018 Awards	2018- 2019 Awards	2019- 2020 Awards	3-Year Award Average
		Long Beach	22	21	29	24
		Mt San Antonio	161	202	145	169
		Santa Monica	18	23	-	14
		LA Subtotal	<i>717</i>	825	832	<i>7</i> 91
		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	1 <i>7</i>	24	28
		OC Subtotal	303	272	256	277
	1,020	1,097	1,088	1,068		

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 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) Code: Human Resources Management/Personnel Administration, General (52.1001). Due to different data collection periods, the most recent three-year period of available data is from 2016 to 2019. Between 2016 and 2019, four-year colleges in the region conferred an average of 167 awards annually in related training programs.

Exhibit 3: Regional non-community college awards, 2016-2019

CIP Code	Program	College	2016- 2017 Awards	2017- 2018 Awards	2018- 2019 Awards	3-Year Award Average
	Human Resources Management/ Personnel Administration, General	Brandman University	38	20	15	24
		DeVry University-CA	1	1	-	1
52.1001		GDS Institute	8	6	-	5
		Trident Univ. International	39	35	29	34
		University of Phoenix-CA	120	114	76	103
		Supply Total/Average	206	176	120	167

Appendix A: Occupational demand and wage data by county

Exhibit 4. Los Angeles County

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry- Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Payroll and Timekeeping Clerks (43-3051)	4,773	4,557	(216)	(5%)	459	\$20.51	\$26.80	\$31.57
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	3,109	3,028	(81)	(3%)	308	\$17.38	\$22.15	\$28.28
Total	7,883	7,585	(297)	(4%)	767	-	-	-

Exhibit 5. Orange County

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)
Payroll and Timekeeping Clerks (43-3051)	1,856	1,814	(42)	(2%)	180	\$19.98	\$26.09	\$30.75
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	1,183	1,162	(22)	(2%)	11 <i>7</i>	\$16.99	\$21.66	\$27.66
Total	3,039	2,976	(63)	(2%)	298	-	-	-

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Typical Entry-Level Education
Payroll and Timekeeping Clerks (43-3051)	6,629	6,371	(258)	(4%)	639	High school diploma or equivalent
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	4,293	4,190	(103)	(2%)	426	Associate degree
Total	10,921	10,561	(360)	(3%)	1,065	

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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