

**Program Endorsement Brief: 0506.00/Business Management
Human Resources (Associate of Science & Certificate of Achievement)**
Orange County Center of Excellence, February 2021

Summary Analysis

Program Endorsement:	Endorsed: All Criteria Met <input checked="" type="checkbox"/>	Endorsed: Some Criteria Met <input 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 checked="" type="checkbox"/>	No <input 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 four human resources occupations. To illuminate which occupations are immediately accessible to community college graduates, these human resources occupations have been divided into middle-skill and above middle-skill occupations. Middle-skill occupations typically accommodate community college graduates, while above middle-skill occupations typically require a four-year degree and/or prior work experience. The occupations included in the middle-skill human resources occupation group are: *payroll and timekeeping clerks* (43-3051), and *human resources assistants, except payroll and timekeeping* (43-4161). The occupations in the above middle-skill human resources group are: *human resources manager* (11-3121) and *human resources specialists* (13-1071). 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 for these middle-skill human resources in the region and nearly half of current workers in the field have completed some college or an associate degree. Furthermore, the majority of annual openings for these middle-skill human resources occupations have entry-level wages that exceed the living wage in Orange County. **Therefore, due to all 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 **1,437 middle-skill human resources jobs available annually** in the region due to new job growth and replacements, **which is more than the 1,247 awards conferred annually** by educational institutions in the region.

- **Living Wage Criteria** – Within Orange County, the majority (61%) of annual job openings for these middle-skill human resources occupations have entry-level wages above the county’s living wage (\$17.36/hour).¹
- **Educational Criteria** – Within the LA/OC region, 61% of the annual job openings for occupations related to middle-skill human resources typically require a high school diploma.
 - However, the national-level educational attainment data indicates 45.5% 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 **1,028 awards annually** between 2016 and 2019.
 - Since there is not a separate TOP code dedicated to human resources, the **supply data for business management (0506.00) is overstated for human resources occupations.**
- Between 2014 and 2017, there was an average of **219 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 the middle-skill group of human resources occupations. 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 1,400 job openings per year through 2024 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. 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.

¹ Living wage data was pulled from California Family Needs Calculator on 2/10/2021. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

Exhibit 1: Middle-skill occupational demand in Los Angeles and Orange Counties²

Geography	2019 Jobs	2024 Jobs	2019-2024 Change	2019-2024 % Change	Annual Openings
Los Angeles	9,339	9,250	(89)	(1%)	1,041
Orange	3,541	3,521	(20)	(1%)	396
Total	12,880	12,770	(109)	(1%)	1,437

Exhibit 2 shows the five-year occupational demand projections for the above middle-skill group of human resources occupations. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to increase by 3% through 2024. There will be more than 3,500 job openings per year through 2024 due to retirements and workers leaving the field.

Exhibit 2: Above middle-skill occupational demand in Los Angeles and Orange Counties

Geography	2019 Jobs	2024 Jobs	2019-2024 Change	2019-2024 % Change	Annual Openings
Los Angeles	24,157	24,736	579	2%	2,462
Orange	10,256	10,595	339	3%	1,076
Total	34,413	35,330	918	3%	3,538

Wages

The labor market endorsement in this report considers the entry-level hourly wages for all of the human resources occupations in this report (middle-skill and above middle-skill) in Orange County as they relate 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— The majority (61%) of annual openings for the middle-skill human resources occupations have typical entry-level wages above the California Family Needs Calculator hourly wage (living wage) for one adult (\$17.36 in Orange County). For the middle-skill occupations, typical entry-level hourly wages are in a range between \$15.90 and \$20.08. For the above middle-skill occupations, typical entry-level hourly wages are in a range between \$24.54 and \$44.63. Experienced workers in all four occupations can expect to earn wages between \$24.42 and \$77.18, which are higher than the living wage estimate. Orange County’s average wages are below the average statewide wage of \$39.31 for these occupations.

Los Angeles County—All of the annual openings for these human resources occupations have entry-level wages above the living wage for one adult (\$15.04 in Los Angeles County). For the middle-skill occupations, typical entry-level hourly wages are in a range between \$16.11 and \$20.55. For the above middle-skill occupations, typical entry-level hourly wages are in a range between \$25.86 and \$45.60. Experienced workers in all four occupations can expect to earn wages between \$24.77 and \$79.69, which are higher than the living wage estimate. Los Angeles

² Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

County's average wages are below the average statewide wage of \$39.31 for these occupations.

Job Postings

There were 5,180 online job postings related to middle-skill human resources occupations listed in the past 12 months. 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, accounting, data entry, ADP payroll, and administrative support. The top three employers, by number of job postings, in the region were: Emanate Health, Century Group, and Kimco.

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 the following typical entry-level education for these human resources occupations:

- **Bachelor's degree:** *human resources managers (11-3121); human resources specialists (13-1071)*
- **Associate degree:** *human resources assistants, except payroll and timekeeping (43-4161)*
- **High school diploma or equivalent:** *payroll and timekeeping clerks (43-3051)*

In the LA/OC region, the majority of annual job openings (61%) for middle-skill human resources occupations typically require a high school diploma or equivalent. However, the national-level educational attainment data indicates 45.5% of middle-skill human resources workers in the field have completed some college or an associate degree. Of the 52% of middle-skill human resources job postings listing a minimum education requirement in Los Angeles/Orange County, 46% (1,241) requested a high school diploma, 39% (1,063) requested a bachelor's degree and 15% (400) requested an associate degree.

Educational Supply

Community College Supply—Exhibit 3 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 six other related program recommendation requests from regional community colleges.

It is important to note that there is not a dedicated TOP code for human resources programs and the majority of human resources programs across the state are coded under Business Management (0506.00). However, since this TOP codes trains for many types of business occupations and not solely human resources occupations, the supply data is overstated.

Exhibit 3: 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		
0506.00	Business Management	Cerritos	246	405	456	369		
		Citrus	-	1	2	1		
		Compton	11	2	3	5		
		East LA	9	26	29	21		
		El Camino	17	23	23	21		
		Glendale	17	10	9	12		
		LA City	19	15	18	17		
		LA Mission	5	4	3	4		
		LA Pierce	-	-	3	1		
		LA Valley	42	30	33	35		
		Long Beach	15	22	21	19		
		Mt San Antonio	187	161	202	183		
		Santa Monica	10	18	23	17		
		LA Subtotal	578	717	825	707		
		Coastline	175	71	84	110		
		Cypress	2	6	6	5		
		Fullerton	124	11	11	49		
		Golden West	9	8	20	12		
		Irvine	11	9	3	8		
		N. Orange Adult	26	24	27	26		
		Orange Coast	3	51	40	31		
		Santa Ana	37	81	64	61		
		Santiago Canyon	3	42	17	21		
		OC Subtotal	390	303	272	322		
		Supply Total/Average			968	1,020	1,097	1,028

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 human resources occupations. Exhibit 4 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 (52.1011). 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 219 awards annually in related training programs.

Exhibit 4: Regional non-community college awards, 2014-2017

CIP Code	Program	College	2014-2015 Awards	2015-2016 Awards	2016-2017 Awards	3-Year Award Average
52.1001	Human Resources Management/Personnel Administration, General	Brandman University	37	28	38	34
		DeVry University	8	9	1	6
		GDS Institute	3	2	8	4
		Trident University Int'l	24	23	39	29
		University of Phoenix	172	145	120	146
Supply Total/Average			244	207	206	219

Appendix A: Occupational demand and wage data by county

Exhibit 5. 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)
Payroll and Timekeeping Clerks (43-3051)	2,199	2,174	(26)	(1%)	241	\$20.08	\$25.50	\$29.99
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	1,341	1,347	6	0%	155	\$15.90	\$19.28	\$24.42
Middle-Skill Subtotal	3,541	3,521	(20)	(1%)	396			
Human Resources Managers (11-3121)	2,331	2,417	85	4%	217	\$44.63	\$61.07	\$77.18
Human Resources Specialists (13-1071)	7,925	8,178	253	3%	859	\$24.54	\$31.47	\$41.17
Above Middle-Skill Subtotal	10,256	10,595	339	3%	1,076			
Total	13,797	14,115	319	2%	1,472			

Exhibit 6. 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)
Payroll and Timekeeping Clerks (43-3051)	5,792	5,708	(84)	(1%)	636	\$20.55	\$26.11	\$30.72
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	3,547	3,541	(6)	(0%)	405	\$16.11	\$19.57	\$24.77
Middle-Skill Subtotal	9,339	9,250	(89)	(1%)	1,041			
Human Resources Managers (11-3121)	5,834	5,990	156	3%	531	\$45.60	\$62.79	\$79.69
Human Resources Specialists (13-1071)	18,323	18,746	423	2%	1,931	\$25.86	\$33.21	\$43.45
Above Middle-Skill Subtotal	24,157	24,736	579	2%	2,462			
Total	33,496	33,985	490	1%	3,503			

Exhibit 7. Los Angeles and Orange Counties

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings
Payroll and Timekeeping Clerks (43-3051)	7,991	7,882	(109)	(1%)	877
Human Resources Assistants, Except Payroll and Timekeeping (43-4161)	4,888	4,888	0	0%	560
Middle-Skill Subtotal	12,880	12,770	(109)	(1%)	1,437
Human Resources Managers (11-3121)	8,165	8,407	241	3%	747
Human Resources Specialists (13-1071)	26,248	26,924	676	3%	2,790
Above Middle-Skill Subtotal	34,413	35,330	918	3%	3,538
Total	47,292	48,101	809	2%	4,975

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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