

Program Endorsement Brief: 0506.00/Business Management

Cannabis Management

Orange County Center of Excellence, May 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 type="checkbox"/>	No <input checked="" type="checkbox"/> (See comments below)	
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 checked="" type="checkbox"/>		No <input 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 one middle-skill occupation: *sales representatives, wholesale and manufacturing, except technical scientific products* (41-4012). Middle-skill occupations typically require some postsecondary education, but less than a bachelor’s degree.¹ Since the field of cannabis management is emerging and does not have a dedicated occupation (SOC) code, real-time labor market information is included in this report to gauge local demand via online job postings. 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 *sales representatives, wholesale and manufacturing, except technical scientific products* in the region. However, since business management programs in the region train for various middle-skill business occupations, supply data is overstated when considering only cannabis-related business occupations. Entry-level wages exceed the living wage in both Los Angeles and Orange counties, and nearly one-third of sales representatives currently working in the field have completed an associate degree or some college. **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 **5,666 jobs available annually** in the region due to retirements and workers leaving the field,

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.

which is less than the 19,186 awards conferred annually by educational institutions in the region.

- However, the sales representatives, wholesale and manufacturing, except technical scientific products (41-4012) SOC code includes sales jobs across all industries, not solely cannabis-related sales jobs. Therefore, **the number of annual job openings is likely overstated.**
- Over the past 12 months, there were **640 online job postings for sales representatives to work with cannabis or related products.** The highest number of job postings were for sales representatives, account managers, outside sales representatives, inside sales representatives, and account executives.
- **Living Wage Criteria** – Within Orange County, **typical entry-level hourly wages** for sales representatives, wholesale and manufacturing, except technical scientific products are **\$20.63, which is higher than the California Family Needs Calculator** hourly wage (living wage) for one adult in the region (\$17.36 in Orange County).²
- **Educational Criteria** – The Bureau of Labor Statistics (BLS) lists a **high school diploma** as the **typical entry-level education for sales representatives, wholesale and manufacturing, except technical scientific products.**
 - However, the national-level educational attainment data indicates **30.5% of workers in the field 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 and/or sales and marketing, conferring an average of **1,355 awards annually** between 2017 and 2020.
 - Since there is not a separate TOP code dedicated to cannabis management, the **supply data for Business Management (0506.00) is overstated when considering cannabis-related management occupations.**
- Additionally, **there are not any existing programs related to cannabis currently offered by community colleges in the LA/OC region.** Between 2016 and 2019, there was an average of **17,831 awards conferred annually** in related training programs by non-community college institutions throughout the region.
 - Since there is not a separate CIP code dedicated to cannabis management, the **supply data for Business Administration and Management, General (52.0201) and Marketing/Marketing Management, General (52.1401) is overstated when considering cannabis-related management occupations.**

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for *sales representatives, wholesale and manufacturing, except technical scientific products*. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to decrease by 9% through 2024. However,

² Living wage data was pulled from California Family Needs Calculator on 5/11/2021. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

there will be more than 5,600 job openings per year through 2024 due to retirements and workers leaving the field. It is important to note that the *sales representatives, wholesale and manufacturing, except technical scientific products* (41-4012) SOC code includes sales representatives across all industries and not solely cannabis. Therefore, the data in Exhibit 1 is likely overstated for cannabis management occupations.

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.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Geography	2019 Jobs	2024 Jobs	2019-2024 Change	2019-2024 % Change	Annual Openings
Los Angeles	48,267	43,519	(4,748)	(10%)	4,089
Orange	18,314	17,005	(1,309)	(7%)	1,578
Total	66,581	60,524	(6,057)	(9%)	5,666

Wages

The labor market endorsement in this report considers the entry-level hourly wages for *sales representatives, wholesale and manufacturing, except technical scientific products* 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 typical entry-level hourly wages for *sales representatives, wholesale and manufacturing, except technical scientific products* are \$19.34, which is above the living wage for one adult (\$17.36 in Orange County). Experienced workers can expect to earn wages of \$44.75, which is higher than the living wage estimate. Orange County’s average wages are below the average statewide wage of \$36.13 for this occupation.

Los Angeles County— The typical entry-level hourly wages for *sales representatives, wholesale and manufacturing, except technical scientific products* are \$18.87, which is above the living wage for one adult (\$15.04 in Los Angeles County). Experienced workers can expect to earn wages of \$43.69, which is higher than the living wage estimate. Los Angeles County’s average wages are below the average statewide wage of \$36.13 for this occupation.

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.

Job Postings

There were 640 online job postings for sales representatives to work with cannabis or similar products listed in the past 12 months. The highest number of job postings were for CBD Biocare and Evergreen Distribution. The top skills were: sales, product sales, outside sales, prospective clients and sales goals. The top three employers, by number of job postings, in the region were: CBD Biocare, Evergreen Distribution, and Hemp Company Incorporated.

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 a high school diploma as the typical entry-level education for *sales representatives, wholesale and manufacturing, except technical scientific products*. However, the national-level educational attainment data indicates 30.5% of workers in the field have completed some college or an associate degree. Of the 47% of cannabis sales representative job postings listing a minimum education requirement in Los Angeles/Orange County, 55% (163) requested a bachelor's degree, 38% (115) requested a high school diploma and 7% (21) 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 codes: Business Management (0506.00), Marking and Distribution (0509.00), and Sales and Salesmanship (0509.40). The colleges with the most completions in the region are: Cerritos, Mt. San Antonio, and Orange Coast. Over the past 12 months, there were no other cannabis related program recommendation requests from regional community colleges.

It is important to note that there is not a dedicated TOP code for cannabis management. While Business Management (0506.00) trains for multiple middle-skill occupations, the Cannabis Management program at Fullerton College will train students for *sales representatives, wholesale and manufacturing, except technical scientific products* jobs within the field of cannabis and related products. Since this the Business Management (0506.00) TOP code trains for many types of business occupations and not solely cannabis management occupations, the supply data is overstated.

There is one cannabis related program currently offered by a California community college – Cannabis Studies at San Francisco City College. This program is coded under the Behavioral Science TOP Code (2009.00) and is not a career education program. No supply data is yet available, since this is a new program and was approved in 2020.⁴ There are not any existing programs related to cannabis currently offered by community colleges in the LA/OC region.

⁴ The Chancellor's Office Curriculum Inventory System (COCI 2.0). Data pulled on 5/12/2021.

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		
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		
		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		
		North 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
		0509.00	Marketing and Distribution	Cerritos	11	25	18	18
				Compton	1	1	-	1
East LA	4			9	5	6		
El Camino	13			14	6	11		
Glendale	-			1	1	1		
LA City	10			12	15	12		
LA Mission	2			-	-	1		
LA Pierce	8			4	8	7		

TOP Code	Program	College	2017-2018 Awards	2018-2019 Awards	2019-2020 Awards	3-Year Award Average
		LA Trade	10	3	3	5
		LA Valley	16	28	19	21
		Long Beach	15	6	5	9
		Mt San Antonio	3	5	5	4
		Pasadena	-	3	6	3
		Rio Hondo	8	2	9	6
		Santa Monica	20	20	28	23
		West LA	3	1	1	2
		LA Subtotal	124	134	129	129
		Cypress	4	4	5	4
		Fullerton	-	2	4	2
		Golden West	3	2	6	4
		Orange Coast	107	83	69	86
		Saddleback	10	16	27	18
		Santa Ana	-	3	-	1
		Santiago Canyon	24	17	18	20
		OC Subtotal	148	127	129	135
Supply Subtotal/Average			272	261	258	264
0509.40	Sales and Salesmanship	Santa Monica	16	13	19	16
		LA Subtotal	16	13	19	16
		Orange Coast	11	3	5	6
		Santa Ana	1	-	-	0
		OC Subtotal	12	3	5	7
Supply Subtotal/Average			28	16	24	23
Supply Total/Average			1,320	1,376	1,370	1,355

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 business management and/or sales and marketing. Exhibit 3 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). 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 17,831 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
52.0201	Business Administration and Management, General	Abraham Lincoln University	-	1	5	2
		Advanced College	1	-	-	0
		America Evangelical Univ.	-	1	-	0
		Angeles College	-	-	-	-
		Antioch Univ.-Los Angeles	-	-	-	-
		Azusa Pacific University	133	151	162	149
		Bethesda University	10	48	51	36
		Biola University	116	87	113	105
		Brandman University	345	313	235	298
		California Institute of Advanced Management	2	8	10	7
		California Intercontinental University	39	15	19	24
		California State Polytechnic University-Pomona	1,329	1,493	1,211	1,344
		CSU-Dominguez Hills	560	629	603	597
		CSU-Fullerton	2,323	2,405	2,601	2,443
		CSU-Long Beach	1,369	1,552	1,532	1,484
		CSU-Los Angeles	848	1,082	1,143	1,024
		CSU-Northridge	647	744	761	717
		California University of Management and Sciences	39	54	8	34
		Chapman University	482	483	489	485
		Claremont Graduate University	139	125	119	128
		Concordia University-Irvine	170	135	157	154
		DeVry University-California	390	335	267	331
		Eagle Rock College	-	-	-	-
		Hope International Univ.	29	48	70	49
		InterCoast Colleges-Santa Ana	-	-	-	-
		Learnet Academy	4	17	-	7
		Life Pacific University	5	15	11	10
		Los Angeles ORT College-LA Campus (CLOSED)	32	24	32	29
		Los Angeles Pacific College	-	-	3	1
		Los Angeles Pacific Univ.	-	-	1	0

CIP Code	Program	College	2016-2017 Awards	2017-2018 Awards	2018-2019 Awards	3-Year Award Average
52.1401	Marketing/ Marketing Management, General	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 Oaks College	-	13	14	9
		Pacific States University	37	35	14	29
		Pepperdine University	753	779	772	768
		Platt College-Anaheim	-	2	8	3
		Platt College-Los Angeles	9	8	6	8
		Southern California Institute of Technology	-	-	-	-
		The Chicago School of Professional Psychology at Irvine	-	-	-	-
		The Chicago School of Professional Psychology at Los Angeles	25	23	30	26
		The Master's University and Seminary	45	71	64	60
		Trident Univ. International	814	681	584	693
		University of Antelope Valley	25	49	45	40
		UC-Irvine	419	442	511	457
		UC-Los Angeles	874	823	838	845
		University of La Verne	673	742	630	682
		University of Phoenix-CA	1,718	1,655	1,568	1,647
		Univ. of Southern California	1,590	1,588	1,630	1,603
		University of the People	41	81	208	110
		University of the West	27	33	25	28
		Vanguard Univ. of Southern California	83	78	71	77
		Westcliff University	193	231	335	253
		Whittier College	81	57	73	70
		Woodbury University	88	105	66	86
		CSU-Northridge	327	377	395	366
		Fashion Institute of Design & Merchandising-Los Angeles	32	70	68	57
		Fremont College	5	3	4	4
		Loyola Marymount Univ.	165	184	132	160

CIP Code	Program	College	2016-2017 Awards	2017-2018 Awards	2018-2019 Awards	3-Year Award Average
		Mount Saint Mary's Univ.	21	22	10	18
		University of Phoenix-CA	53	57	32	47
		Univ. of Southern California	66	80	87	78
		Vanguard University of Southern California	11	7	9	9
		Westcliff University	-	-	1	0
		Woodbury University	11	14	17	14
Supply Total/Average			17,313	18,193	17,987	17,831

Appendix A: Occupational demand and wage data by county

Exhibit 4. Orange 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)
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (41-4012)	18,314	17,005	(1,309)	(7%)	1,578	\$20.63	\$30.63	\$47.66

Exhibit 5. 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)
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (41-4012)	48,267	43,519	(4,748)	(10%)	4,089	\$18.87	\$28.04	\$43.69

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (41-4012)	66,581	60,524	(6,057)	(9%)	5,666

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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