

BUSINESS & ENTREPRENEURSHIP



Orange County Sector Analysis Project

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Prepared by:
Orange County Center of Excellence
for Labor Market Research

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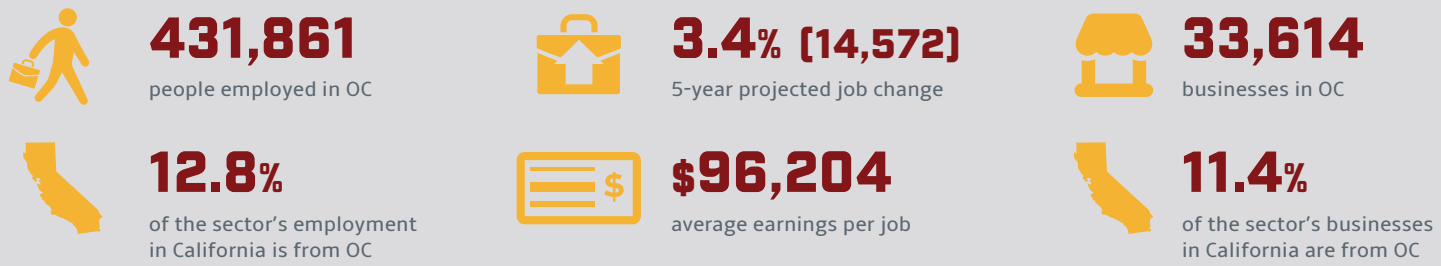
Orange County Community Colleges



SECTOR OVERVIEW

This Sector Profile highlights key points from the entire Business and Entrepreneurship sector in Orange County as well as from the Orange County (OC) Sector Analysis Project – a research report conducted by the OC Center of Excellence for Labor Market Research. Across California, the largest specific industries for small business owners are: professional, technical, and scientific services, followed by personal and laundry services, then specialty trade contractors. Entrepreneurs reported the following skills to be most useful when starting a business: social media, marketing, accounting, Information Technology (IT), and employee recruiting. Business owners ranked previous work experience, critical thinking, and problem solving to be the most important traits for new hires. In 2019, 57% of students who completed or exited a Business and Entrepreneurship community college program in the Orange County region were employed within six months after exit.

Data Points



The Business and Entrepreneurship sector accounts for 431,861 jobs in the Orange County region and 12.8% of all Business and Entrepreneurship jobs in California. There are approximately 33,614 individual businesses in the region, which make up 11.4% of all the businesses for the sector in California. This sector is projected to grow by 3.4% (or 14,572 jobs) in the next five years in Orange County. The average earnings per Business and Entrepreneurship job are \$96,204.

Local Employers

Opus Bank
Nuvision Federal Credit Union
Carrington Mortgage Services, LLC

MagTek
Conduent
Veros Credit



TOP MIDDLE-SKILL JOBS

Middle-skill jobs are occupations that community college students would be best prepared for after obtaining a certificate or degree. The top middle-skill jobs for the Business and Entrepreneurship sector are included below, along with corresponding entry-level and median hourly wages.

Middle-Skill Jobs Attainable with a Community College Education, Orange County (2020-2025)

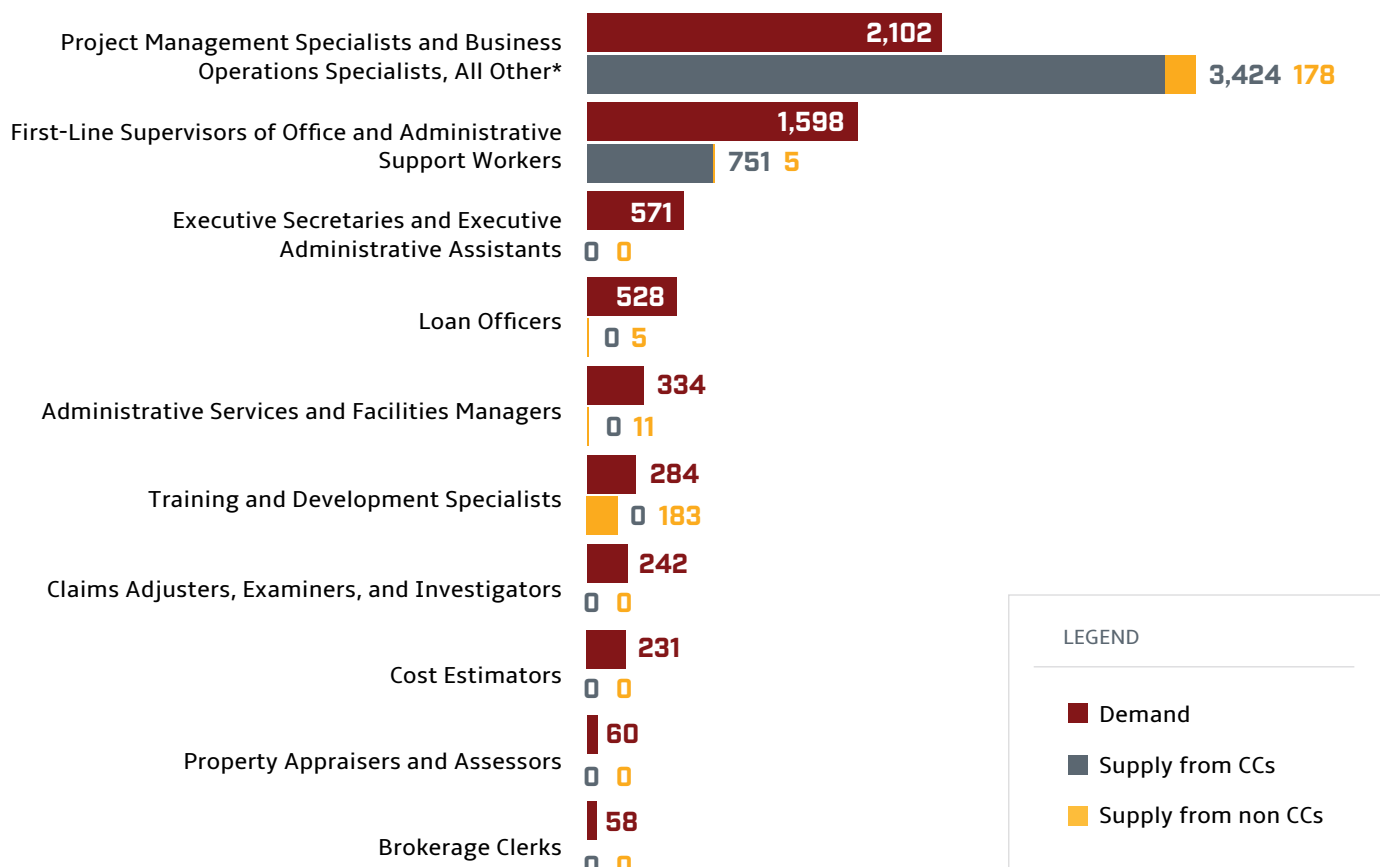
SOC Code	SOC Occupational Title	Demand Annual Openings	Entry-Level Wage 25th Percentile	Median Wage
13-1198	Project Management Specialists and Business Operations Specialists, All Other	2,102	\$25.66	\$36.47
43-1011	First-Line Supervisors of Office and Administrative Support Workers	1,598	\$23.01	\$29.26
43-6011	Executive Secretaries and Executive Administrative Assistants	571	\$27.78	\$33.98
13-2072	Loan Officers	528	\$21.91	\$29.95
11-3011	Administrative Services and Facilities Managers	334		\$36.80
13-2021	Training and Development Specialists	284	\$25.00	\$34.23
13-1031	Claims Adjusters, Examiners, and Investigators	242	\$28.28	\$37.69
13-1051	Cost Estimators	231	\$26.86	\$36.17
13-2021	Property Appraisers and Assessors	60	\$25.24	\$38.80
43-4011	Brokerage Clerks	58	\$20.97	\$24.95



LABOR MARKET DEMAND, PROGRAM SUPPLY, & SUPPLY GAPS

Top middle-skill jobs are defined as occupations with the most labor market demand, stable employment growth, and entry-level wages at or above the living wage, as determined by the California Family Needs Calculator. The living wage for a single adult in Orange County is currently \$20.63.¹ Comparing labor market demand with program supply suggests that all but one of the top middle-skill jobs in this sector have supply gaps in the Orange County region. Labor market demand is defined as the number of average annual job openings per year that employers expect to fill for a particular occupation. Program supply is the number of awards (e.g., degrees, certificates) from community colleges and other training providers.

Top Middle-Skill Jobs in Orange County: Labor Market Demand vs. Program Supply



(Please note: * indicates that the occupation has an oversupply of labor, ^ indicates that the occupation's demand has been met, and N/A indicates that no community college program reported awards for this occupation or no community college program is available for this occupation.)

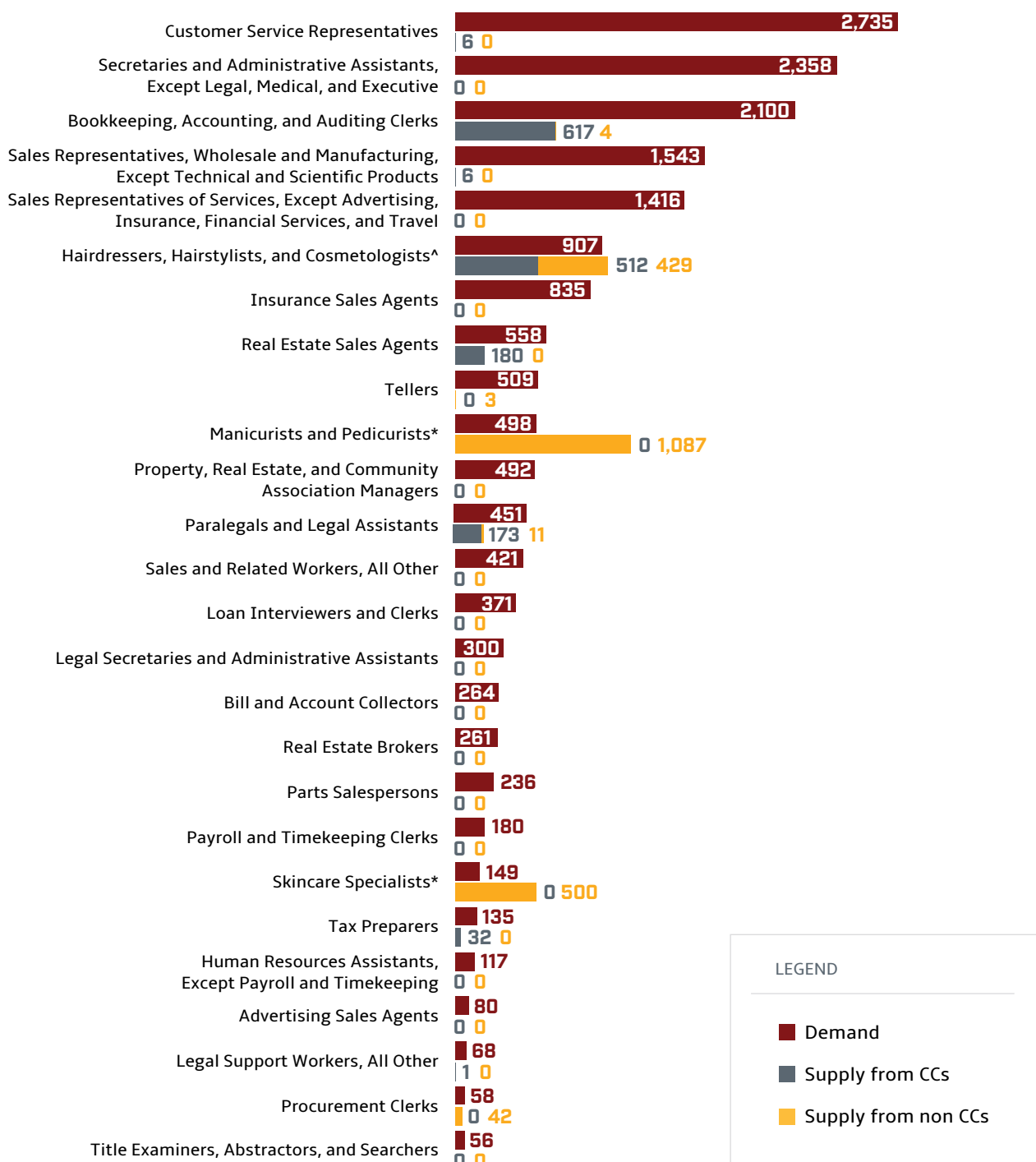


¹ The living wage as determined by the California Family Need Calculator is the hourly wage that a single adult needs to earn to meet basic needs in Orange County. <https://insightccd.org/family-needs-calculator/>

MIDDLE-SKILL JOBS WITH ENTRY-LEVEL WAGES BELOW THE REGIONAL LIVING WAGE

While it is important to understand which top middle-skill jobs have opportunities for increased program supply, it is also important to consider middle-skill occupations that have entry-level wages below the regional living wage, currently at \$20.63, but median wages near or above it. Since wages generally increase from entry-level to median earnings with additional experience and training, students could potentially earn self-sustaining wages with additional apprenticeship or work-based learning opportunities.

Middle-Skill Jobs in Orange County with Entry-Level Wages Below the Regional Living Wage



(Please note: * indicates that the occupation has an oversupply of labor, ^ indicates that the occupation's demand has been met, and N/A indicates that no community college program reported awards for this occupation or no community college program is available for this occupation.)

Entry-Level and Median Wages for Middle-Skill Jobs in Orange County
with Entry-Level Wages Below the Regional Living Wage

SOC Code	SOC Occupational Title	Demand Annual Openings	Entry-Level Wage 25th Percentile	Median Wage Above the Living Wage
43-4051	Customer Service Representatives	2,735	\$15.28	\$18.73
43-6014	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	2,358	\$16.91	\$21.46
43-3031	Bookkeeping, Accounting, and Auditing Clerks	2,100	\$18.61	\$23.68
41-4012	Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	1,543	\$20.60	\$31.17
41-3091	Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	1,416	\$19.22	\$28.05
39-5012	Hairdressers, Hairstylists, and Cosmetologists	907	\$12.41	\$14.36
41-3021	Insurance Sales Agents	835	\$18.31	\$24.66
41-9022	Real Estate Sales Agents	558	\$16.72	\$28.76
43-3071	Tellers	509	\$14.86	\$16.84
39-5092	Manicurists and Pedicurists	498	\$10.82	\$12.71
11-9141	Property, Real Estate, and Community Association Managers	492	\$16.82	\$28.76
23-2011	Paralegals and Legal Assistants	451	\$19.30	\$25.70
41-9099	Sales and Related Workers, All Other	421	\$15.01	\$19.52
43-4131	Loan Interviewers and Clerks	371	\$16.57	\$21.40
43-6012	Legal Secretaries and Administrative Assistants	300	\$19.50	\$27.26
43-3011	Bill and Account Collectors	264	\$18.15	\$22.75
41-9021	Real Estate Brokers	261	\$20.00	\$33.87
41-2022	Parts Salespersons	236	\$14.88	\$16.50
43-3051	Payroll and Timekeeping Clerks	180	\$19.98	\$26.09
39-5094	Skincare Specialists	149	\$12.77	\$16.23
13-2082	Tax Preparers	135	\$15.82	\$28.24
43-4161	Human Resources Assistants, Except Payroll and Timekeeping	117	\$16.99	\$21.66
41-3011	Advertising Sales Agents	80	\$16.45	\$25.13
23-2099	Legal Support Workers, All Other	68	\$19.96	\$25.34
43-3061	Procurement Clerks	58	\$17.39	\$21.49
23-2093	Title Examiners, Abstractors, and Searchers	56	\$17.06	\$24.77

KEY FINDINGS & RECOMMENDATIONS

Between July and August 2019, focus groups comprised of stakeholders from the community colleges and industry experts met to review the labor market demand and program supply for middle-skill jobs in Orange County's Priority and Emerging Sectors. The objectives of the focus groups were to identify labor market supply gaps in middle-skill jobs and provide intelligence as to how Orange County community colleges are working to close supply gaps, as well as the challenges they encounter in their programs. The following summarizes the findings and recommendations for the Business and Entrepreneurship sector.



23,106

annual job openings
(labor market demand)



8,160

average annual program awards
(labor market supply)



14,946

supply gap
(awards needed to close the gap)



Key Finding



Recommendation

1

This sector has both the highest labor market demand and the highest number of program supply of all the sectors – but also the biggest gap of nearly 15,000 awards: Community colleges in Orange County are undersupplying for middle-skill Business and Entrepreneurship jobs. Just over 11% of all students enrolled in Business and Entrepreneurship programs complete a degree or certificate. This sector tends to be the “default” major for students who are unsure of their career plans and the programs tend to attract working industry professionals who may drop out or withdraw before completing because they have learned the skills they need in their current job.

To increase completion rates of students in Business and Entrepreneurship programs, colleges could focus regional and local efforts to help undecided students hone in on their interests so that they have a clear path to progression and completion. College faculty, deans and the Regional Employer Engagement Team should review program and course data to determine the specific barriers that prevent students from successfully completing a program (e.g., challenging introductory courses and differing prerequisites across colleges for higher level courses). Strong Workforce Program (SWP) funds could be invested at the college level to address students' specific barriers to course/program retention and completion.

2

Employers hire students before they complete training: In order to close the many supply gaps in the sector, companies sometimes hire students who have the foundational skills needed for a particular job before they have completed their career education program. In some cases, students will participate in an internship program or work-based learning opportunity and receive a full-time job offer prior to completing their degree or certificate.

To increase completion numbers in Business and Entrepreneurship programs, faculty, deans, and the Regional Employer Engagement Team should review program curriculum and identify programs that may be overdesigned. These are programs that offer more courses than what may be needed in the labor market, creating long-term programs that could actually be shortened by offering fewer courses/credits, yet still prepare students for small companies' needs.

Key Finding

Recommendation

3 **Dual-Enrollment could encourage more students to enroll in Business and Entrepreneurship programs:**

Even though this sector has the highest number of students in the region, labor market demand is so high that there is the need for a consistent pipeline of students entering the sector's programs. There is room to increase the 19% of the students in this sector who are 19 years old or younger.

To increase enrollments and help students focus on careers in this sector, colleges should offer dual-enrollment courses at high schools within their service area. Dual-enrollment makes high school students aware of business programs at the community colleges and creates a potential pipeline of students to increase enrollment.

4 **There is no Taxonomy of Program (TOP) code for Entrepreneurship:** There is no TOP code for entrepreneurship and a comprehensive list of entrepreneurship programs does not currently exist, which makes finding supply information and data on entrepreneurship skills a challenge when reviewing or creating programs. However, the skills taught in entrepreneurship classes can be applied across a variety of occupations and sectors.

To better understand industry-desired entrepreneurship skills and quantify existing entrepreneurship programs, the COE should work with college administrators, faculty, and the Regional Employer Engagement Team to identify existing entrepreneurship courses, programs, and degrees in order to generate a list of associated regional TOP codes that could be used for regional alignment.

5 **Knowledge, Skills, and Abilities (KSAs) for the sector have not been validated by employers:** The OC Sector Analysis Project brief examines job gaps, but does not explore the specific KSAs taught at the colleges and compare them to the labor market's demand for Business and Entrepreneurship KSAs.

To determine if the region's community colleges are training for the right KSAs, the Regional Employer Engagement Team should convene employers in a "regional advisory group" where employers can review program KSAs, provide feedback, and validate the KSAs' current relevance and demand in the labor market.



MORE ABOUT THE CENTERS OF EXCELLENCE

The Centers of Excellence (COE) for Labor Market Research deliver regional workforce research and technical expertise to California Community Colleges for program decision-making and resource-development. This information has proven valuable to colleges in beginning, revising, or updating economic development and Career Education (CE) programs, strengthening grant applications, assisting in the accreditation process, and in supporting strategic planning efforts.

The Centers of Excellence Initiative is funded in part by the Chancellor's Office, California Community Colleges, Economic and Workforce Development Program. The Orange County COE is fully funded by the Orange County Regional Strong Workforce Program allocation. The Centers aspire to be the leading source of regional workforce information and insight for California Community Colleges. More information about the Centers of Excellence is available at coeccc.net.

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Orange County Center of Excellence
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For the full report, visit Orange County at coeccc.net.

Sources

Demand data is pulled from Emsi, a software program that consolidates data from the California Employment Development Department (EDD), U.S. Bureau of Labor Statistics (BLS), and other government agencies.

Program supply data is drawn from two systems: Taxonomy of Programs (TOP) and Classification of Instructional Programs (CIP).

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 such as those from the Orange County Center of Excellence for Labor Market Research and Cal-PASS Plus LaunchBoard. This study examines the most recent data available at the time of the analysis; however, data sets are updated regularly and may not be consistent with previous reports. Efforts have been made to qualify and validate the accuracy of the data and the report findings; however, neither the Centers of Excellence for Labor Market Research (COE), COE host college/district, nor California Community Colleges Chancellor's Office are responsible for the applications or decisions made by individuals and/or organizations based on this study or its recommendations.

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