

## Labor Market Assessment: 0504.00/Banking and Finance Financial Investments (Certificate)

Los Angeles Center of Excellence, June 2022

### Summary

<b>Program Endorsement:</b>	<b>Endorsed: All Criteria Met</b> <input type="checkbox"/>	<b>Endorsed: Some Criteria Met</b> <input checked="" type="checkbox"/>	<b>Not Endorsed</b> <input type="checkbox"/>
<b>Program Endorsement Criteria</b>			
<b>Supply Gap:</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
<b>Living Wage: (Entry-Level, 25<sup>th</sup>)</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
<b>Education:</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
<b>Emerging Occupation(s)</b>			
	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

The Los Angeles Center of Excellence for Labor Market Research (LA COE) prepared this report to provide regional labor market supply and demand data related to five middle-skill occupations:

- *Credit counselors* (13-2071),
- *Bill and account collectors* (43-3011),
- *Credit authorizers, checkers, and clerks* (43-4041),
- *Loan interviewers and clerks* (43-4131), and
- *New accounts clerks* (43-4141).

Middle-skill occupations typically require some postsecondary education, but less than a bachelor's degree.<sup>1</sup> Although the occupation, *credit counselors* typically require 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. 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 finance occupations in the region. Despite the majority of entry-level wages being below the self-sufficiency standard wage in both Los Angeles and Orange counties, more than one-third of current workers in the field have completed some college or an associate degree. **Therefore, due**

<sup>1</sup> 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.

to some of the criteria being met, the LA COE endorses this proposed program. Detailed reasons include:

**Demand:**

- **Supply Gap Criteria** – Over the next five years, there is projected to be **1,852 jobs available annually** in the region due to retirements and workers leaving the field, **which is more than the 58 awards conferred annually** by educational institutions in the region.
- **Living Wage Criteria** –Within Los Angeles County, the **majority (88%) of annual job openings** for these middle-skill finance occupations have **entry-level wages below** the self-sufficiency standard hourly wage (\$18.10/hour).<sup>2</sup>
- **Educational Criteria** –Within the greater LA/OC region, **95% of the annual job openings** for middle-skill occupations related to finance **typically require a high school diploma.**
  - However, the national-level educational attainment data indicates **between 32% and 48% of workers in the field have completed some college or an associate degree.**

**Supply:**

- There are **9 community colleges** in the greater LA/OC region that issue awards related to banking and finance, conferring an average of **58 awards annually** between 2017 and 2020.
- Currently, there are **no non-community college institutions** in the greater LA/OC region that have conferred awards for middle-skill finance occupations in the past three years.

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Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California on 6/9/2022. For more information, visit: <http://selfsufficiencystandard.org/california>.

## Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for these middle-skill finance occupations. In the greater Los Angeles/Orange County region, the number of jobs related to these occupations is projected to decrease by 5% through 2025. However, there will be more than 1,800 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. 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 Counties<sup>3</sup>**

Geography	2020 Jobs	2025 Jobs	2020-2025 Change	2020-2025 % Change	Annual Openings
Los Angeles	11,917	10,839	(1,078)	(9%)	1,111
Orange	7,264	7,357	93	1%	741
<b>Total</b>	<b>19,182</b>	<b>18,197</b>	<b>(985)</b>	<b>(5%)</b>	<b>1,852</b>

## Wages

The labor market endorsement in this report considers the entry-level hourly wages for these middle-skill 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 LA/OC region. Detailed wage information, by county, is included in Appendix A.

**Los Angeles County**—The majority (88%) of annual openings for these middle-skill finance occupations have entry-level wages below the self-sufficiency standard wage for one adult (\$18.10 in Los Angeles County). Typical entry-level hourly wages are in a range between \$16.28 and \$38.25. Two occupations have entry-level wages above the county's self-sufficiency standard: *credit counselors* (\$21.13) and *new account clerks* (\$38.25). Experienced workers can expect to earn wages between \$21.91 and \$44.15, which are higher than the self-sufficiency standard.

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<sup>3</sup> Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

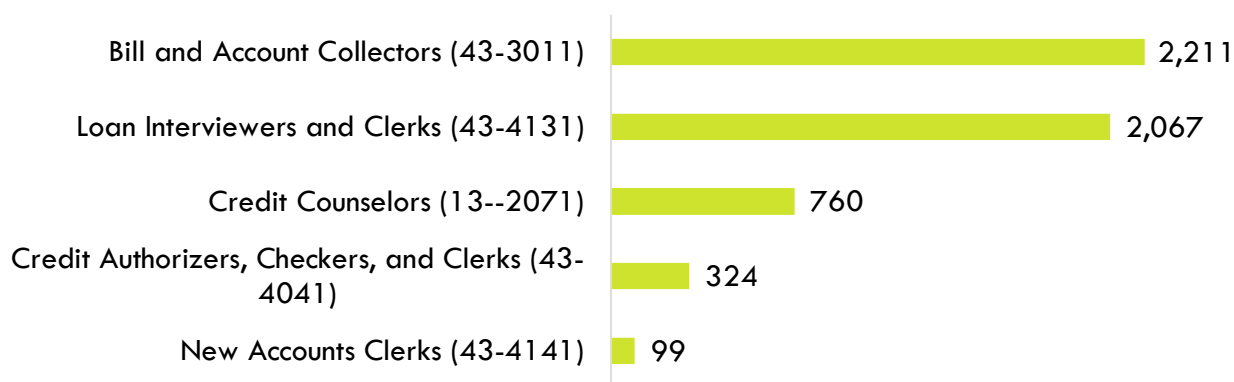
**Orange County**—The majority (95%) of annual openings for these middle-skill finance occupations also have entry-level wages **below** the self-sufficiency standard wage for one adult (\$20.63 in Orange County). Typical entry-level hourly wages are in a range between \$16.47 and \$38.13. Only one occupation has entry-level wages above the county’s self-sufficiency standard: *new account clerks* (\$38.13). Experienced workers can expect to earn wages between \$22.16 and \$44.02, which are higher than the self-sufficiency standard.

**Job Postings**

There were 5,461 online job postings related to middle-skill finance occupations listed in the past 12 months. Exhibit 2 displays the number of job postings by occupation. The majority of job postings (40%) were for *bill and account collectors*, followed by *loan interviewers and clerks* (38%) and *credit counselors* (14%). The highest number of job postings were for collections specialists, loan processors, mortgage loan processors, collectors, and medical collections specialists. The top skills were customer service, loan processing, customer billing, mortgage lending, and mortgage underwriting. The top three employers, by number of job postings, in the region were City National Bank, Union Bank, and California State University.

*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.*

**Exhibit 2: Job postings by occupation (last 12 months)**



**Educational Attainment**

The Bureau of Labor Statistics (BLS) lists the following typical entry-level education levels for the occupations in this report:

- **Bachelor’s degree:** *Credit counselors*
- **High school diploma or equivalent:** *Bill and account collectors; credit authorizers, checkers, and clerks; loan interviewers and clerks; and new account clerks*

In the greater LA/OC region, the majority of annual job openings (95%) typically require a high school diploma or equivalent. However, the national-level educational attainment data indicates between 32% and 48% of workers in the field have completed some college or an associate degree. Of the 62% of middle-skill finance job postings listing a minimum education requirement

in the greater Los Angeles/Orange County region, 63% (1,264) requested high school or vocational training, 6% (218) requested an associate degree, and 30% (1,042) requested a bachelor's 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: Banking and Finance (0504.00). The colleges with the most completions in the region are LA Valley and LA City. Currently, there are no non-community college institutions in the greater LA/OC region that have conferred awards below master's degrees for middle-skill finance occupations in the past three years.

**Exhibit 3: Regional community college awards (certificates and degrees), 2017-2020**

TOP Code	Program	College	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
0504.00	Banking and Finance	Citrus	6	8	-	5
		Glendale	2	1	3	2
		LA City	5	9	21	12
		LA Mission	1	-	-	0
		LA Pierce	-	1	5	2
		LA Southwest	-	2	2	1
		LA Valley	26	34	34	31
		Long Beach	-	-	1	0
		Pasadena	8	5	1	5
		<b>LA Subtotal</b>	<b>48</b>	<b>60</b>	<b>67</b>	<b>58</b>
<b>Supply Total/Average</b>			<b>48</b>	<b>60</b>	<b>67</b>	<b>58</b>

**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 <sup>th</sup> Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 <sup>th</sup> Percentile)
Credit Counselors (13-2071)	833	854	21	3%	69	\$21.13	\$25.99	\$31.51
Bill and Account Collectors (43-3011)	5,192	4,676	(516)	(10%)	536	\$17.63	\$22.13	\$27.96
Credit Authorizers, Checkers, and Clerks (43-4041)	507	471	(36)	(7%)	48	\$16.28	\$18.34	\$21.91
Loan Interviewers and Clerks (43-4131)	4,658	4,210	(448)	(10%)	394	\$16.51	\$21.33	\$27.64
New Accounts Clerks (43-4141)	727	629	(98)	(14%)	64	\$38.25	\$40.73	\$44.15
<b>Total</b>	<b>11,917</b>	<b>10,839</b>	<b>(1,078)</b>	<b>(9%)</b>	<b>1,111</b>	-	-	-

**Exhibit 5. Orange County**

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 <sup>th</sup> Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 <sup>th</sup> Percentile)
Credit Counselors (13-2071)	333	361	28	8%	33	\$19.96	\$24.56	\$29.81
Bill and Account Collectors (43-3011)	2,534	2,444	(90)	(4%)	270	\$18.13	\$22.74	\$28.68
Credit Authorizers, Checkers, and Clerks (43-4041)	275	272	(3)	(1%)	27	\$16.47	\$18.56	\$22.16
Loan Interviewers and Clerks (43-4131)	3,710	3,880	170	5%	373	\$16.56	\$21.39	\$27.69
New Accounts Clerks (43-4141)	413	402	(12)	(3%)	38	\$38.13	\$40.60	\$44.02
<b>Total</b>	<b>7,264</b>	<b>7,357</b>	<b>93</b>	<b>1%</b>	<b>741</b>	-	-	-

**Exhibit 6. Los Angeles and Orange Counties**

<b>Occupation (SOC)</b>	<b>2020 Jobs</b>	<b>2025 Jobs</b>	<b>5-Yr Change</b>	<b>5-Yr % Change</b>	<b>Annual Openings</b>	<b>Typical Entry-Level Education</b>
Credit Counselors (13-2071)	1,165	1,214	49	4%	102	Bachelor's degree
Bill and Account Collectors (43-3011)	7,726	7,120	(606)	(8%)	807	HS diploma or equivalent
Credit Authorizers, Checkers, and Clerks (43-4041)	782	742	(39)	(5%)	75	HS diploma or equivalent
Loan Interviewers and Clerks (43-4131)	8,368	8,090	(278)	(3%)	766	HS diploma or equivalent
New Accounts Clerks (43-4141)	1,141	1,030	(110)	(10%)	103	HS diploma or equivalent
<b>Total</b>	<b>19,182</b>	<b>18,197</b>	<b>(985)</b>	<b>(5%)</b>	<b>1,852</b>	<b>-</b>

## Appendix B: Sources

- O\*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (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)

For more information, please contact:

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