

Labor Market Analysis for Noncredit Program Recommendation: 0512.00/Insurance (Insurance Agency)

Orange County Center of Excellence, November 2023



Summary

Program LMI Endorsement	Endorsed: All LMI Criteria Met <input checked="" type="checkbox"/>	Endorsed: Some LMI Criteria Met <input type="checkbox"/>	Not LMI Endorsed <input type="checkbox"/>
Program LMI Endorsement Criteria			
	Yes <input checked="" type="checkbox"/>		No <input type="checkbox"/>
Supply Gap:	<i>Comments:</i> There is projected to be 2,808 annual job openings throughout Los Angeles and Orange counties for <i>insurance sales agents</i> , which is more than the 14 awards conferred by educational institutions .		
	Yes <input checked="" type="checkbox"/>		No <input type="checkbox"/>
Living Wage: (Entry-Level, 25 th)	<i>Comments:</i> Entry-level hourly wages for insurance sales agents are \$23.03, which is above the OC living wage of \$20.63.		
	Yes <input checked="" type="checkbox"/>		No <input type="checkbox"/>
Education:	<i>Comments:</i> The typical entry-level education for <i>insurance sales agents</i> is a high school diploma or equivalent. However, more than one-third of workers in the field have completed some college or an associate degree as their highest level of education.		
Emerging Occupation(s)			
	Yes <input type="checkbox"/>		No <input checked="" type="checkbox"/>
	<i>Comments:</i> N/A		

The Orange County Center of Excellence for Labor Market Research (OC COE) prepared this report to determine whether there is a supply gap in the Los Angeles/Orange County regional labor market related to one middle-skill occupation:

- Insurance Sales Agents (41-3021)

Based on the available data, there appears to be a supply gap for *insurance sales agents*. Additionally, typical entry-level hourly wages are above the living wage and typical education requirements for this occupation aligns with a community college education. **Therefore, due to all of the regional labor market criteria being met, the COE endorses this proposed program.**

Exhibit 1 lists the occupational demand, supply, typical entry-level education, and educational attainment for the occupations included in this report.

Exhibit 1: Labor Market Endorsement Summary

Occupation (SOC)	Demand (Annual Openings)	Supply (CC and Non-CC)	Entry-Level Hourly Earnings (25 th Percentile)	Typical Entry- Level Education	Community College Educational Attainment
Insurance Sales Agents (41-3021)	LA: 1,864 OC: 944	LA: 14 OC: 0	OC: \$23.03	High School Diploma or Equivalent	36%
Total	2,808	14	N/A	N/A	N/A

Demand:

- The number of jobs related to *insurance sales agents* is projected to increase 1% through 2027, equating to 2,808 annual job openings.
- The hourly entry-level wage for *insurance sales agents* is \$23.03 in Orange County, which is above the living wage of \$20.63.
- There were 3,267 online job postings for *insurance sales agents* over the past 12 months. The highest number of postings were for insurance agents, life insurance agents, and insurance sales agents.
- The typical entry-level education for *insurance sales agents* is a high school diploma or equivalent.
- Approximately 36% of workers in the field have completed some college or an associate degree as their highest level of educational attainment.

Supply:

- There was an average of 14 awards conferred by 4 community colleges in Los Angeles County from 2019 to 2022. No awards were conferred by Orange County community colleges.
- There were no awards conferred by non-community college institutions from 2019 to 2021.
- Currently, no Orange County community colleges offer insurance programs. Therefore, student outcomes data is not available.

Demand

Occupational Projections:

Exhibit 2 shows the annual percent change in jobs for *insurance sales agents* from 2017 through 2027. Despite a 7% decline in employment across all occupations from 2019 to 2020 due to the COVID-19 pandemic, employment for *insurance sales agents* increased 1% during the same period in Orange County. However, employment in the occupation is projected to remain flat through 2027.

Exhibit 2: Annual Percent Change in Jobs for Insurance Sales Agents, 2017-2027

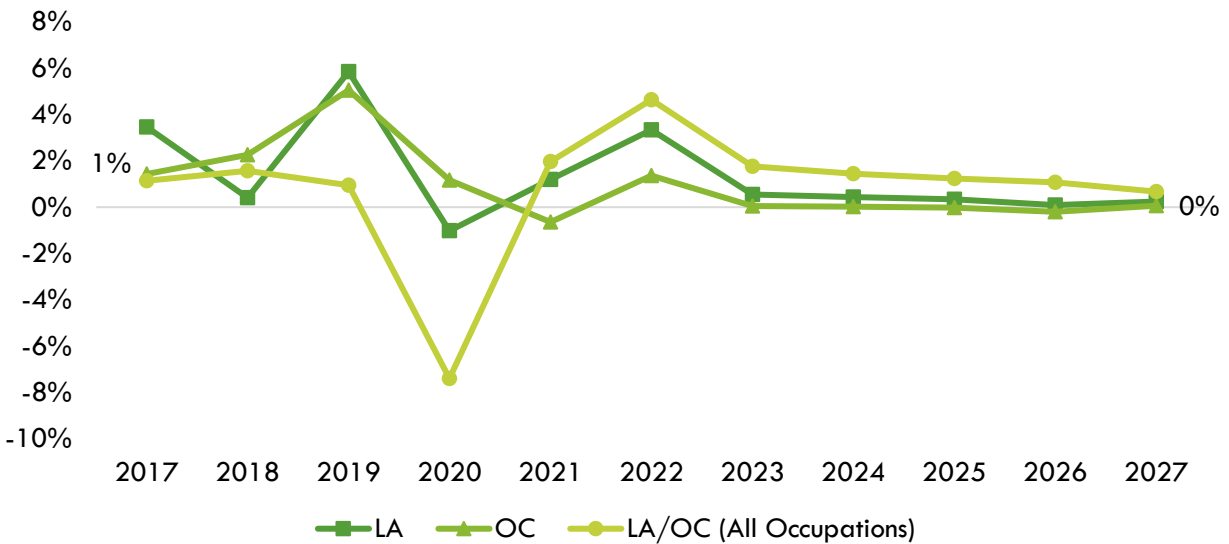


Exhibit 3 shows the five-year occupational demand projections for *insurance sales agents*. In Los Angeles/Orange County, the number of jobs related to this occupation is projected to increase by 1% through 2027. There is projected to be 2,808 jobs available annually.

Exhibit 3: Occupational Demand in Los Angeles and Orange Counties¹

Geography	2022 Jobs	2027 Jobs	2022-2027 Change	2022-2027 % Change	Annual Openings
Los Angeles	19,040	19,357	317	2%	1,864
Orange	9,804	9,796	(8)	(0.1%)	944
Total	28,844	29,153	309	1%	2,808

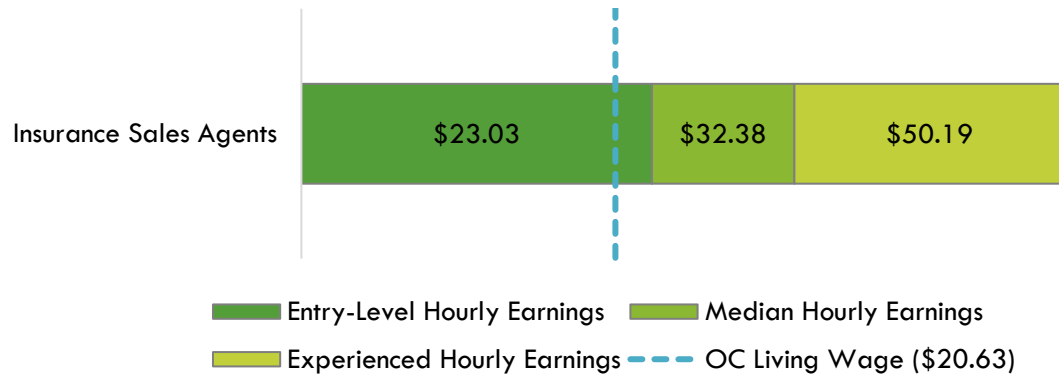
¹ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

Wages:

The labor market endorsement in this report considers the entry-level hourly wages for *insurance sales agents* 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.

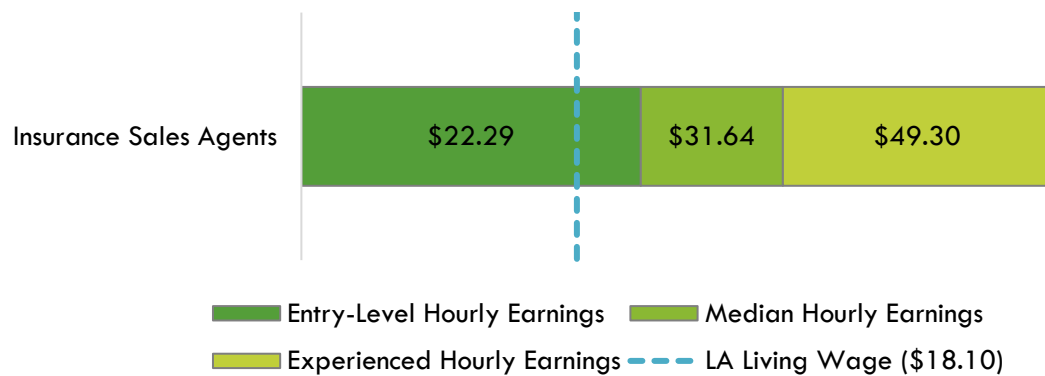
The typical entry-level hourly earnings for *insurance sales agents* are \$23.03, which is above the living wage for one adult in Orange County (\$20.63). Orange County's average wage (\$43.28) is below the average statewide wage of \$45.68 for this occupation. Exhibit 4 shows the wage range for *insurance sales agents* in Orange County and how it compares to the regional living wage.

Exhibit 4: Wages by Occupation in Orange County



The typical entry-level hourly earnings for *insurance sales agents* are \$22.29, which is above the living wage for one adult in Los Angeles County (\$18.10). Los Angeles County's average wage (\$42.73) is below the average statewide wage of \$45.68 for this occupation. Exhibit 5 shows the wage range for *insurance sales agents* in Los Angeles County and how it compares to the regional living wage.

Exhibit 5: Wages by Occupation in Los Angeles County



Job Postings:

Important Online Job Postings Data Note: Online job postings data is sourced from Lightcast, a labor market analytics firm that scrapes, collects, and organizes data from online job boards such as LinkedIn, Indeed, Glassdoor, Monster, GovernmentJobs.com, and thousands more. Lightcast uses natural language processing (NLP) to determine the related company, industry, occupation, and other information for each job posting. However, NLP has limitations that include understanding contextual words of phrases; determining differences in words that can be used as nouns, verbs, and/or adjectives; and misspellings or grammatical errors.² For these reasons, job postings could be assigned to the wrong employer, industry, or occupation within Lightcast’s database.

Additionally, there are several limitations when analyzing job postings. A single job posting may not represent a single job opening, as employers may be creating a pool of candidates for future openings or hiring for multiple positions with a single posting. Additionally, not all jobs are posted online, and jobs may be filled through other methods such as internal promotion, word-of-mouth advertising, physical job boards, or a variety of other channels.

There were 3,267 online job postings related to insurance sales agents listed in the past 12 months. Exhibit 6 shows the number of job postings for this occupation.

Exhibit 6: Number of Job Postings by Occupation (n=3,267)

Occupation	Job Postings	Percentage of Job Postings
Insurance Sales Agents	3,267	100%

The top employers in the region for insurance sales agents, by number of job postings, are shown in Exhibit 7.

Exhibit 7: Top Employers by Number of Job Postings (n=3,267)

Employer	Job Postings	Percentage of Job Postings
State Farm	160	5%
Farmers Insurance	109	3%
Viewpoint Financial	101	3%
HealthMarkets	90	3%
Mutual of Omaha	74	2%
AAA	62	2%
Family First Life	54	2%
Alera Group	50	2%
Insuratec	44	1%
Adrianas Insurance	38	1%

The top specialized, soft, and computer skills for insurance sales agents listed by those most frequently mentioned in job postings (denoted in parentheses) are shown in Exhibit 8.

² K. R. Chowdhary, Fundamentals of Artificial Intelligence (Basingstoke: Springer Nature, 2020), <https://link.springer.com/book/10.1007/978-81-322-3972-7>.

Exhibit 8: Top Skills by Number of Job Postings (n=3,267)

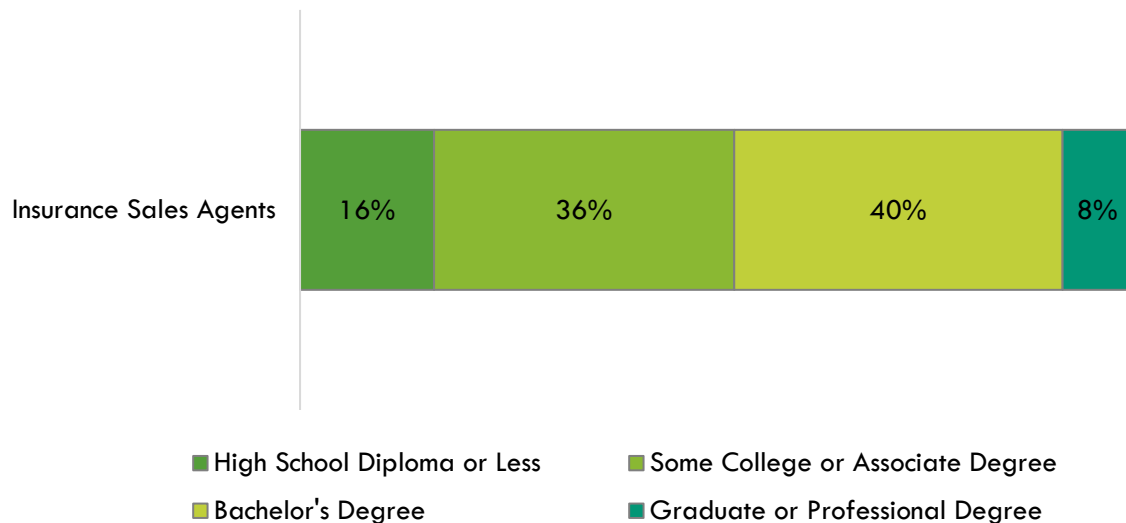
Top Specialized Skills	Top Soft Skills	Top Computer Skills
Insurance Sales (580)	Sales (1,657)	Microsoft Office (256)
Marketing (576)	Customer Service (1,298)	Microsoft Excel (210)
Sales Prospecting (539)	Communications (904)	Microsoft Outlook (172)
Selling Techniques (413)	Self-Motivation (566)	Zoom (Video Conferencing Tool) (85)
Cold Calling (336)	Multitasking (410)	Microsoft PowerPoint (79)
Insurance Policies (316)	Verbal Communication Skills (363)	Salesforce (65)
Underwriting (275)	Presentations (321)	Microsoft Word (60)
Cross-Selling (250)	Management (309)	Customer Relationship Management (CRM) Software (59)
Billing (185)	Leadership (308)	Microsoft Office 365 (34)
Financial Services (183)	Multilingualism (302)	OpenRoads (Civil Design Software) (34)

Educational Attainment:

The Bureau of Labor Statistics (BLS) lists a high school diploma or equivalent as the typical entry-level education for *insurance sales agents*. However, the national-level educational attainment data indicates 36% of workers in the field have completed some college or associate degree as their highest level of education. Exhibit 9 shows the educational attainment for *insurance sales agents*.

Of the 27% of the cumulative job postings for *insurance sales agents* that listed a minimum education requirement in Los Angeles/Orange County, 53% (469) requested a high school diploma or an associate degree and 47% (414) requested a bachelor's degree.

Exhibit 9: National-level Educational Attainment for Occupations



Educational Supply

Community College Supply:

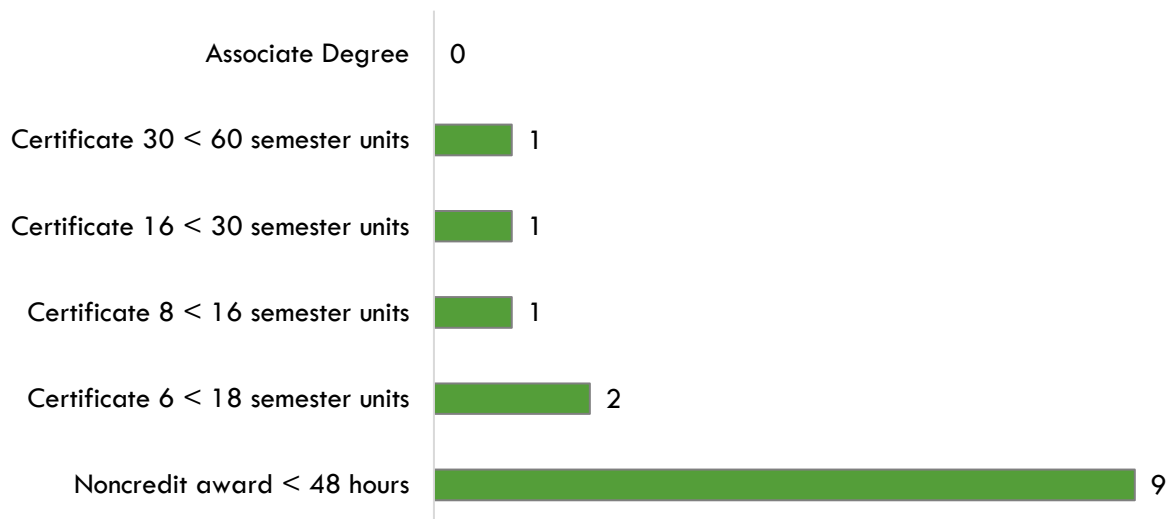
Exhibit 10 shows the three-year average number of awards conferred by community colleges in the related TOP code: Insurance (0512.00). From 2019 to 2022, four colleges in Los Angeles County conferred an annual average of 14 awards. Currently, there are no community colleges in Orange County that offer Insurance programs. Therefore, no awards were conferred in Orange County. Over the past 12 months, there were no other related program recommendation requests from regional community colleges.

Exhibit 10: Regional Community College Awards (Certificates and Degrees), 2019-2022

TOP Code	Program	College	2019-2020 Awards	2020-2021 Awards	2021-2022 Awards	3-Year Award Average
0512.00	Insurance	Glendale	4	3	1	2
		LA Pierce	4	1	2	2
		LA Valley	0	14	13	9
		Santa Monica	1	0	1	1
		LA Subtotal	9	18	17	14
		-	-	-	-	
		OC Subtotal	-	-	-	-
Supply Total/Average			9	18	17	14

Exhibit 11 shows the annual average community college awards by type from 2019-20 through 2021-22. Of the 14 awards, 64% (9) were for noncredit awards of less than 48 hours.

Exhibit 11: Annual Average Community College Awards by Type, 2019-2022



Community College Student Outcomes:

Exhibit 12 shows the Strong Workforce Program (SWP) metrics for Insurance programs in South Orange Community College District (SOCCCD), the Orange County Region, and California. Currently, no community colleges in Orange County offer Insurance programs. Therefore, there is no outcomes data for SOCCCD or the Orange County region.

Students throughout California who exited insurance programs in the 2020-21 academic year had median annual earnings of \$32,048. Additionally, 100% of students that exited in the 2019-20 academic year reported working in a job closely related to their field of study.

Exhibit 12: Insurance (0512.00) Strong Workforce Program Metrics, 2020-21³

SWP Metric	SOCCCD	OC Region	California
SWP Students	N/A	Same as SOCCCD	468
SWP Students Who Earned 9 or More Career Education Units in the District in a Single Year	N/A	Same as SOCCCD	54%
SWP Students Who Completed a Noncredit CTE or Workforce Preparation Course	N/A	Same as SOCCCD	96%
SWP Students Who Earned a Degree or Certificate or Attained Apprenticeship Journey Status	N/A	Same as SOCCCD	Insufficient Data
SWP Students Who Transferred to a Four-Year Postsecondary Institution (2019-20)	N/A	Same as SOCCCD	13
SWP Students with a Job Closely Related to Their Field of Study (2019-20)	N/A	Same as SOCCCD	100%
Median Annual Earnings for SWP Exiting Students	N/A	Same as SOCCCD	\$32,048 (\$15.41)
Median Change in Earnings for SWP Exiting Students	N/A	Same as SOCCCD	1%
SWP Exiting Students Who Attained the Living Wage	N/A	Same as SOCCCD	40%

³ All SWP metrics are for 2020-21 unless otherwise noted.

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 *insurance sales agents*. However, there were no awards conferred by other institutions under the related Classification of Instructional Programs (CIP) Code: Insurance (52.1701). Between 2019 and 2021, non-community colleges in the region did not confer any awards under this CIP code.

Regional Demographics

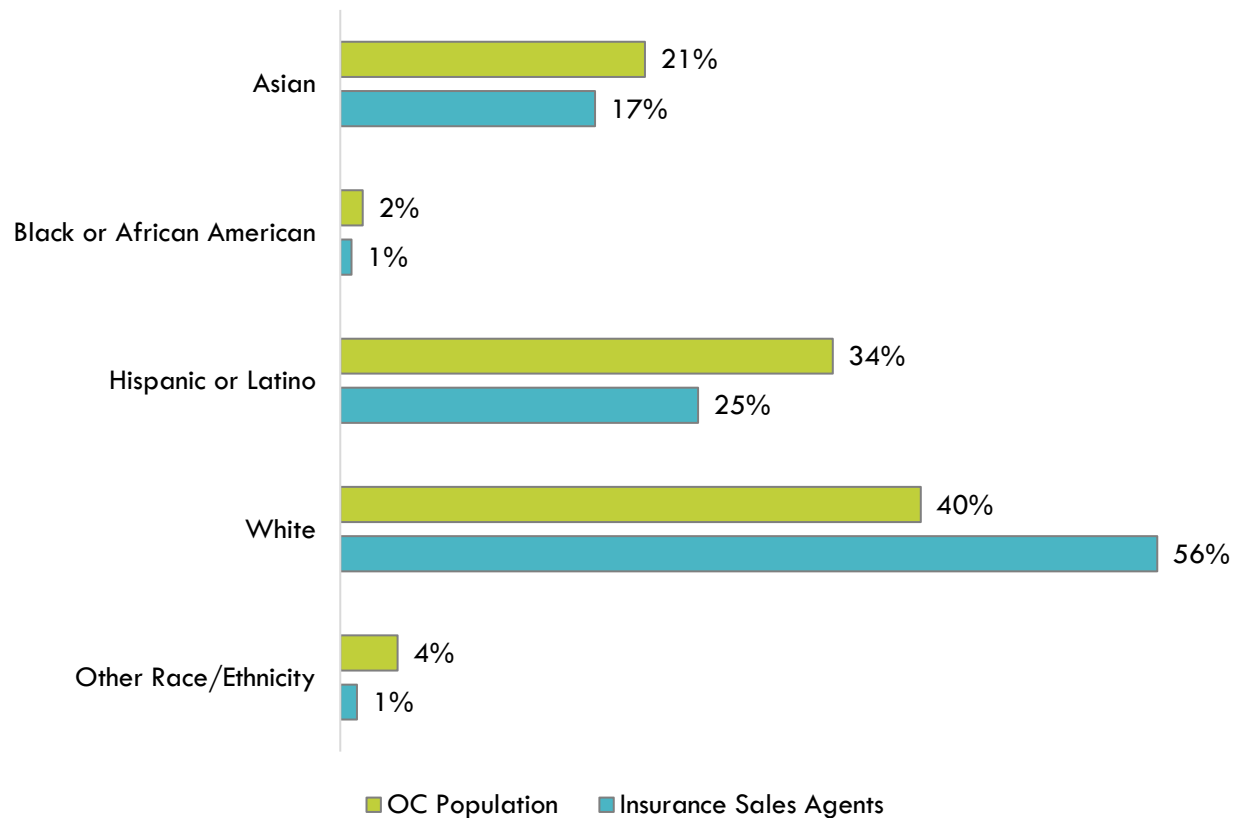
This section analyzes demographic data for Orange County community college students enrolled in Insurance programs compared to the OC population, as well occupational data, for the purpose of identifying potential diversity and equity issues that can be addressed by community college programs.

As noted in the student outcomes section, there are no community colleges in Orange County that offer Insurance programs. Therefore, the following section includes data for the Orange County population compared to *insurance sales agents*.

Ethnicity:

Exhibit 14 shows the ethnicity of the overall Orange County population, as well as for workers employed as *insurance sales agents*. White (56%) workers comprise the largest group of *insurance sales agents*, higher than their representation among the population (40%). Hispanic or Latino workers are the next largest group of *insurance sales agents* at 25%, lower than their representation in the population (34%).

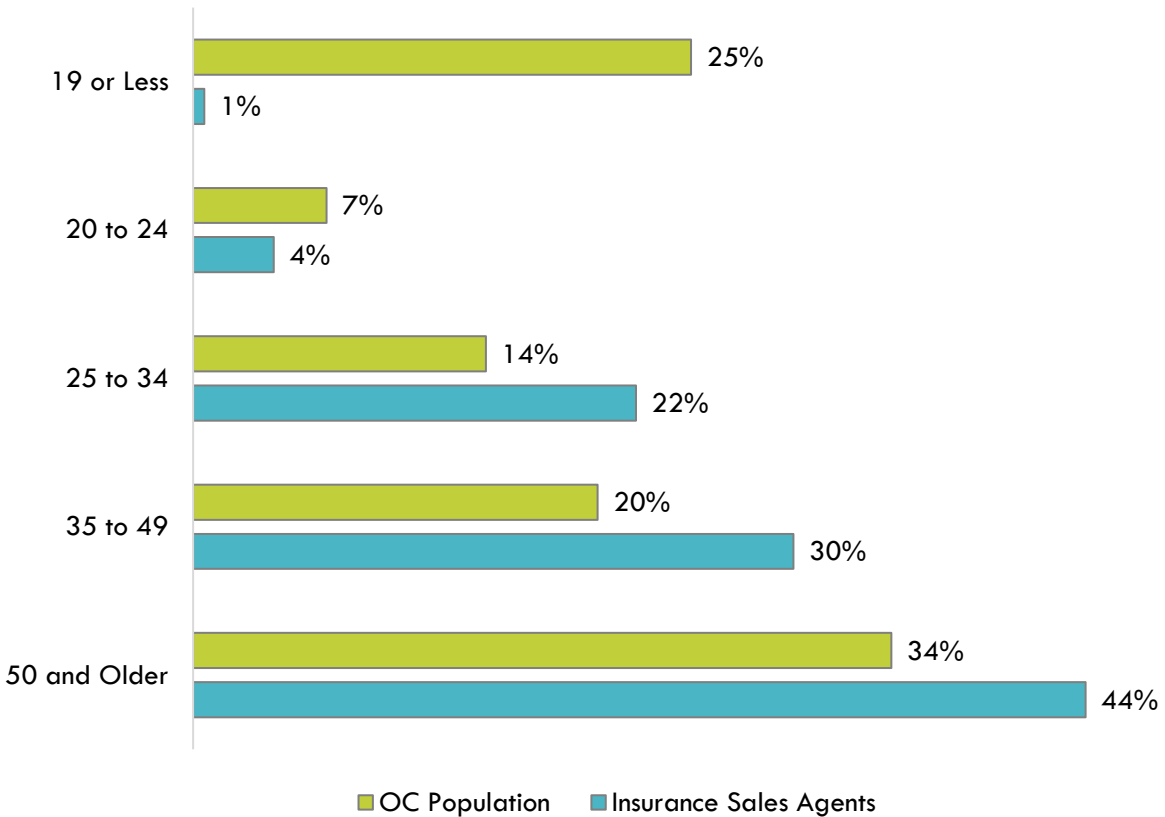
Exhibit 14: Program and County Demographics by Ethnicity



Age:

Exhibit 14 shows the age of the overall Orange County population, as well as *insurance sales agents*. The plurality of *insurance sales agents* (44%) are 50 years or older, considerably higher than the population (34%). Similarly, 30% of *insurance sales agents* are 35 to 49, which is considerably higher than the population (20%).

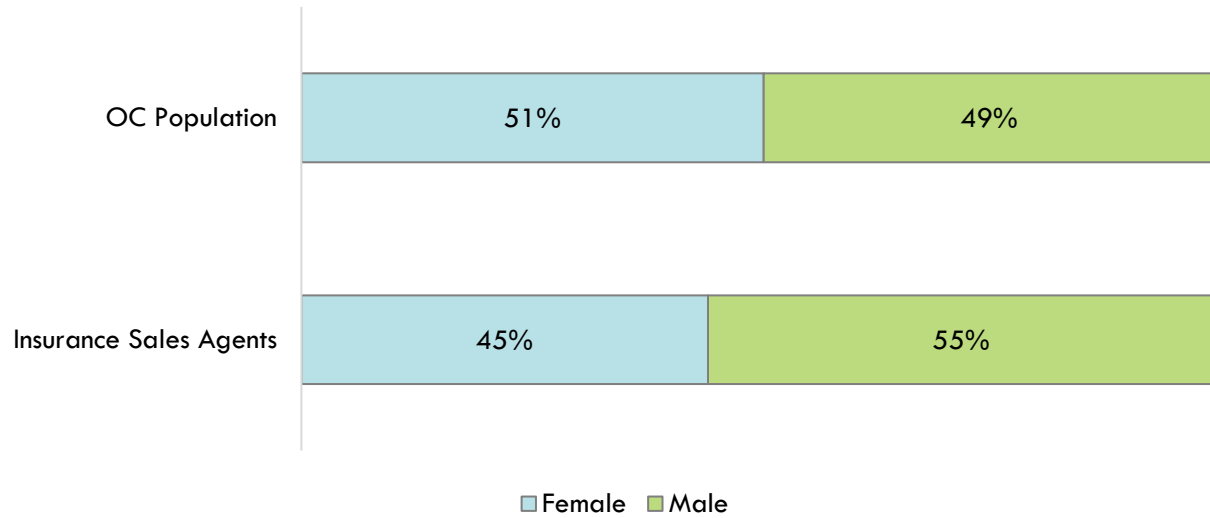
Exhibit 14: Program and County Demographics by Age



Sex:

Exhibit 15 shows the sex of the overall Orange County population as well as *insurance sales agents*. While women and men are almost evenly represented among the population, there is a slight majority (55%) of male *insurance sales agents*.

Exhibit 15: Program and County Demographics by Sex



Appendix A: Methodology

The OC COE prepared this report by analyzing data from occupations and education programs. Occupational data is derived from Lightcast, a labor market analytics firm 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).

Using a TOP-SOC crosswalk, the OC COE identified middle-skill jobs for which programs within these TOP codes train. Middle-skill jobs include:

- 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.

The OC COE determined labor market supply for an occupation or SOC code by analyzing the number of program completers or awards in a related TOP or CIP code. The COE developed a “supply table” with this information, which is the source of the program supply data for this report. TOP code data comes from the California Community Colleges Chancellor's Office MIS Data Mart (datamart.cccco.edu) and CIP code data comes from the Integrated Postsecondary Education Data System (nces.ed.gov/ipeds/use-the-data), also known as IPEDS. TOP is a system of numerical codes used at the state level to collect and report information on California community college programs and courses throughout the state that have similar outcomes. CIP codes are a taxonomy of academic disciplines at institutions of higher education in the United States and Canada. Institutions outside of the California Community College system do not use TOP codes in their reporting systems.

Data included in this analysis represent the labor market demand for relevant positions most closely related to the proposed program as expressed by the requesting college in consultation with the OC COE. Traditional labor market information was used to show current and projected employment based on data trends, as well as annual average awards granted by regional community colleges. Real-time labor market information captures job post advertisements for occupations relevant to the field of study which can signal demand and show what employers are looking for in potential employees, but is not a perfect measure of the quantity of open positions.

All representations have been produced from primary research and/or secondary review of publicly and/or privately available data and/or research reports. The most recent data available at the time of the analysis was examined; 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 findings; however, neither the Centers of Excellence for Labor Market Research (COE), COE host 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.

Appendix B: Data Sources

Data Type	Source
Occupational Projections, Wages, and Job Postings	<p>Traditional labor market information data is sourced from Lightcast, a labor market analytics firm. Lightcast occupational employment data are based on final Lightcast industry data and final Lightcast staffing patterns. Wage estimates are based on Occupational Employment Statistics and the American Community Survey. For more information, see https://lightcast.io/</p>
Living Wage	<p>The living wage is derived from the Insight Center's California Family Needs Calculator, which measures the income necessary for an individual of family to afford basic expenses. The data assesses the cost of housing, food, child care, health care, transportation, and taxes. For more information, see: https://insightccd.org/family-needs-calculator/</p> <p>The living wage for one adult in Orange County is \$20.63 per hour (\$42,910.40 annually). This figure is used by the CCCCCO to calculate the percentage of students that attained the regional living wage.</p>
Typical Education and Training Requirements, and Educational Attainment	<p>The Bureau of Labor Statistics (BLS) provides information about education and training requirements for hundreds of occupations. BLS uses a system to assign categories for entry-level education, work experience in a related occupation, and typical on-the-job training to each occupation for which BLS publishes projections data. For more information, see https://www.bls.gov/emp/documentation/education/tech.htm</p>
Emerging Occupation Descriptions, Additional Education Requirements, and Employer Preferences	<p>The O*NET database includes information on skills, abilities, knowledges, work activities, and interests associated with occupations. For more information, see https://www.onetonline.org/help/online/</p>
Educational Supply	<p>The CCCCCO Data Mart provides information about students, courses, student services, outcomes and faculty and staff. For more information, see: https://datamart.cccco.edu</p> <p>The National Center for Education Statistics (NCES) Integrated Postsecondary Integrated Data System (IPEDS) collects data on the number of postsecondary awards earned (completions). For more information, see https://nces.ed.gov/ipeds/use-the-data/survey-components/7/completions</p>
Student Metrics and Demographics	<p>LaunchBoard, a statewide data system supported by the California Community Colleges Chancellor's Office and hosted by Cal-PASS Plus, provides data on progress, success, employment, and earnings outcomes for California community college students. For more information, see: https://www.calpassplus.org/LaunchBoard/Home.aspx</p>
Population and Occupation Demographics	<p>The Census Bureau's American Community Survey (ACS) is the premier source for detailed population and housing information. For more information, see: https://www.census.gov/programs-surveys/acs</p> <p>Data is sourced from IPUMS USA, a database providing access to ACS and other Census Bureau data products. For more information, see: https://usa.ipums.org/usa/about.shtml</p>

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