

# The PACE/SkillPROOF IT INDEX REPORT

NEW YORK COUNTY (MANHATTAN) REPORT  
OCTOBER 2008



*“Over the past four years we have seen an increase in the number of IT job openings nationwide. This favorable demand has encouraged more students to consider opportunities in IT-related fields, and upon graduation they have successfully competed for exciting positions in companies across many industries.*”

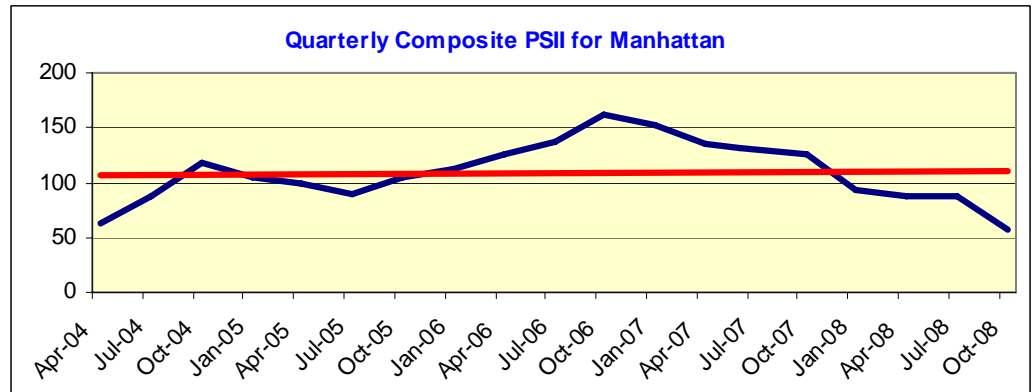
*“While the current crisis in the financial markets and its rippling global effect dampen the number of IT openings in the near term, we believe that individuals with relevant business and IT skills will continue to find well-paying jobs and that, in the longer term, the demand for IT skills will remain strong.”*

-- Kevin Faughnan  
Director  
IBM Academic Initiative

## *Mild IT Employment Decline in Manhattan Labor Market*

According to *The New York Times*, “Employment has diminished for nine consecutive months, eliminating 760,000 jobs...” of which 159,000 losses were in September. Given this grim news, the relatively mild decline in IT employment in Manhattan during the last two quarters is a tribute to the resiliency of the IT job market.

The Pace/SkillPROOF IT Index for the 2nd quarter of 2008 registered 88, one percentage point higher than for the 1st quarter, and over 24 percent higher than the 64 registered two years ago when the PSII first started tracking the job market. As a result, the 30 point decline during the 3<sup>rd</sup> quarter was not that severe. The PSII finished the quarter at 55. (See details on next page.)



For the complete data and analysis, go to [Historic Behavior of IT Job Categories](#).

## **Comment from Constance A. Knapp, PhD**

**Interim Dean, Ivan G. Seidenberg School of Computer Science and Information Systems**

As the nation and the world adopt a “wait and see” economic attitude, we at the Seidenberg School of Computer Science and Information Systems take the “long view” of IT jobs. This issue of the Pace/SkillPROOF IT Index Report provides a context in which to understand the volatility of the labor market in the New York area in general and in the IT field specifically.

As many IT professionals take stock of their careers at this crossroad, some might decide to sharpen their skills. The Seidenberg School is uniquely positioned to respond to the need for up-to-date education since we offer programs at the graduate level designed to meet the demands of today’s marketplace.

## **EARLY BAROMETER: WHAT THE INDEX TRACKS**

The Pace/SkillPROOF IT Index is a comprehensive index that tracks job openings in New York County (Manhattan) and in a separate report, Westchester County, NY. Both versions use data obtained by SkillPROOF, Inc. Using this data, the Pace Index is then calculated in three formats: the weighted average of the job postings as a snapshot of the current IT job market, year-to-year and quarter-to-quarter changes in major categories of the IT job market as diffusion indexes. For more information about the methodology visit the PSII Web site at <http://www.pace.edu/psii>.

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## Quarterly Quote

*"It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently."*

**Warren Buffett**  
Chair, Berkshire Hathaway

## SINKING FEELING AS FALL IN JOBS SPREADS

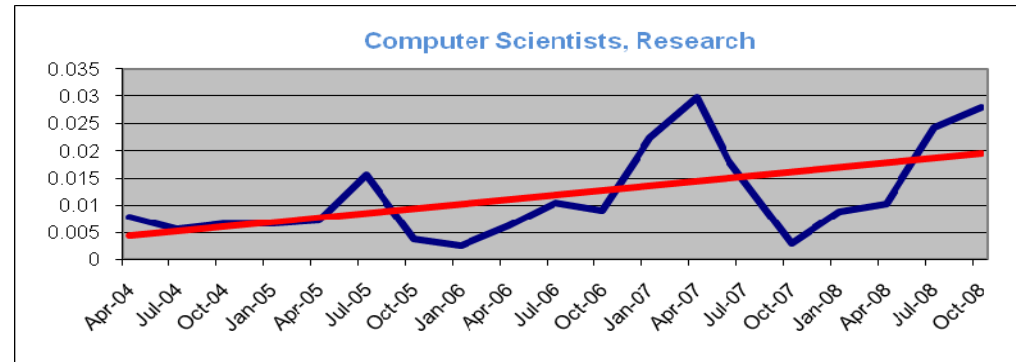
**James Politi in Washington**  
*Financial Times*  
October 6, 2008

"JPMorgan economists have compared the US labour market with a boat sailing through rough seas over the past few months. The July data showed it 'was taking on more water, but has not yet capsized.' By August, the boat had indeed capsized, and in September there were '159,000 men and women overboard,' according to figures released at the end of last week.

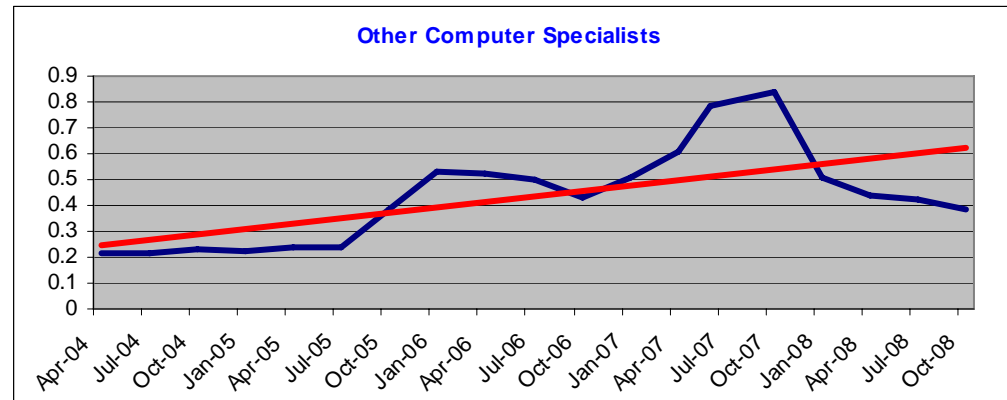
"Last month's decline in non-farm payrolls was the largest since March 2003, and one of the clearest signs yet that turmoil on Wall Street and the US banking industry is spilling over into the broader economy: manufacturers cut 51,000 jobs; retailers shed 40,000; construction companies lost 35,000; and financial services groups slashed 17,000."

### Third Quarter Analysis

Although the overall job market declined markedly during the 3rd quarter, there was one category that defied the trend. **Computer Scientists, Research** maintained its upward trend of the last three quarters and registered 14 percent higher than in the 2nd quarter and better than 10 percent higher than a year ago.



Of the other 10 categories, 8 showed a steady decline, and 2 were essentially flat. Of the latter two, **Network and Computer Systems Administrators** held steady, and **Other Computer Specialists** declined slightly.



In contrast to the losses nationwide, the resiliency of the IT Job Market in New York City is expected to continue through the next two to three quarters.

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