

# The PACE/SkillPROOF IT JOB INDEX REPORT

WESTCHESTER COUNTY REPORT  
OCTOBER 2007



## Global Competitiveness in an Interconnected World



*"Global competition doesn't have to be a zero-sum game, in which only one side wins. In a world that is all too often characterized by scarce resources, there's something almost magical about the knowledge economy: the more we share information, the more valuable it becomes.*

*"What that says to me is that if we focus on expanding opportunity and equipping more people to plug into the global network, there's more than enough growth to go around."*

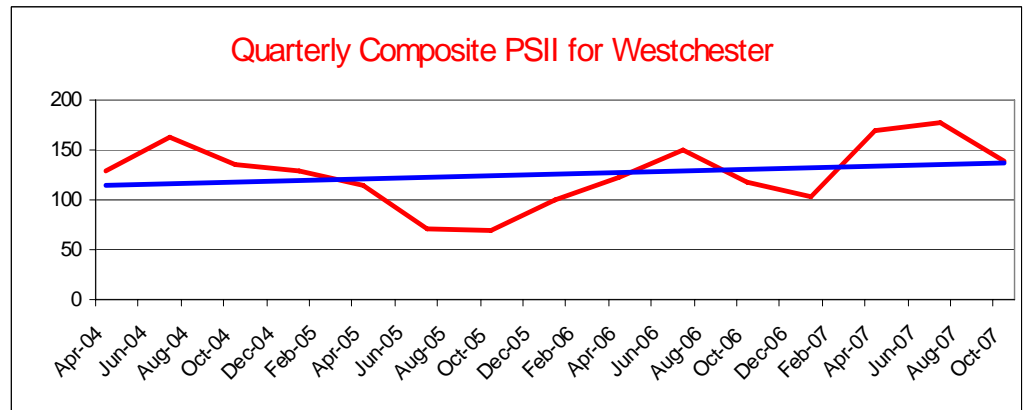
-- Ivan G. Seidenberg  
Chairman and CEO  
Verizon Communications, Inc.  
Pace University, MBA '81

## Sub-prime Mortgage Crisis Nicks IT Job Market in Westchester

At the end of the 3rd quarter of 2007, four of the 11 job categories in the Pace/SkillPROOF IT Job Index (PSII) for Westchester County, NY, outperformed their previous quarters and two were better than a year ago (**Database Administrators** and **Network Systems and Data Communications Analysts**). The IT job market as a whole also remained above the level of a year ago.

However, in the shorter term the overall PSII registered 138, significantly lower than the 178 for the 2<sup>nd</sup> quarter of the year. The 40 point decline, a 22 percent drop, may be attributable to several factors. First, the summer job market for highly specialized IT professionals is generally slow due to vacationing decision-makers. In addition, turmoil in the housing market that shook world markets through its impact on financial derivatives was damaging. Finally, forecasts for a recession advanced by some economists and Federal Reserve policymakers also sent ripples into the Westchester economy.

Since the overall trend in the IT job market in Westchester County had been down in late 2006, substantial growth in the 2<sup>nd</sup> quarter of 2007 was strong enough to reduce the impact of the slow summer and kept the overall trend positive.



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

## Surveys show increasing use of IT throughout the economy

Two surveys released in the last quarter provide reason to bet on the long term outlook for people with solid education in information technology.

The employment firm of Challenger, Gray and Christmas issued a report showing a decline in financial industry jobs that was accompanied by the observation from the firm's chief executive, John Challenger, quoted in the *New York Sun*, that "the rest of the economy is healthy. There are jobs being created in health care and technology businesses." Those jobs might be hidden in plain sight said another report from New York City's Industrial and Technology Assistance Corporation, concluding that high technology in New York City is abundant and vibrant but hard to see as a whole because it is part of so many activities.

"The good news about technology seems to be coming to the attention of young people, their families and their teachers," according to Susan M. Merritt, Dean of Pace's Seidenberg School of Computer Science and Information Systems. "The number of full-time freshmen in computing at Pace has increased for the first time since 2001 and is up 43 percent this fall over fall 2006."

## 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 IT job market, and year-to-year and month-to-month changes in major categories of the current 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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## Quote of the Month

*"I believe that every right implies a responsibility; every opportunity, an obligation; every possession, a duty."*

*-- John D. Rockefeller*

## Outside our Area

*"According to recent data, venture capital investment in so-called Web 2.0 companies, generally ad-supported Web sites in fields like social networking or blogging, is showing signs of maturity, with deals spreading outside the San Francisco Bay Area.*

*-- John Tepper Marlin, PhD  
Principal, [CityEconomist](#)*

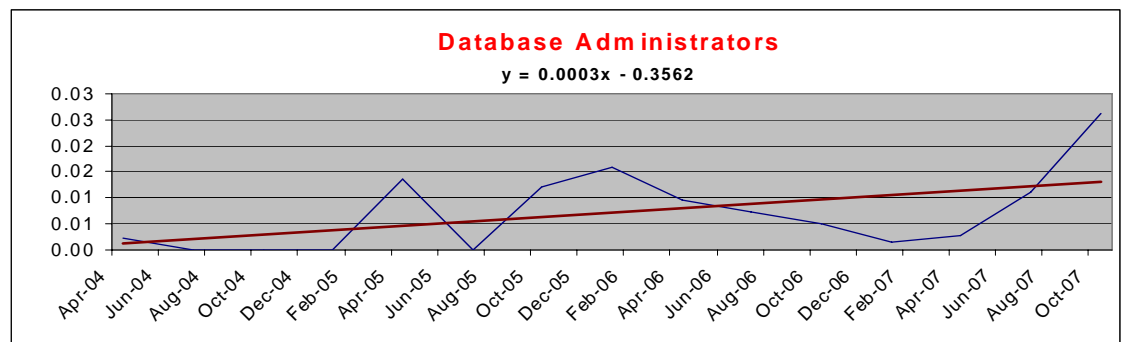
## Good News for High Tech

*India's thriving outsourcing business is so successful that some Indian companies are actually outsourcing their outsourcing to other countries like Mexico, Canada, Romania and -- someone should be with Lou Dobbs when he hears this -- to America!*

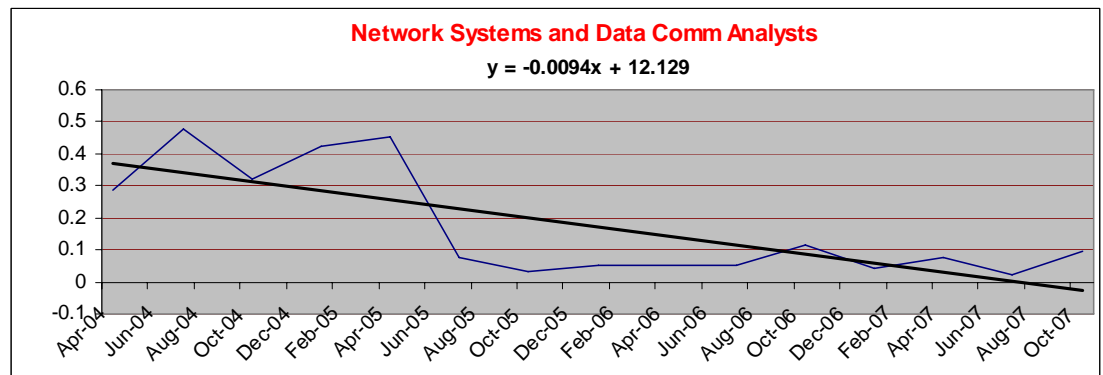
## Third Quarter Analysis

According to the overall trend estimate of the 11 tracked categories, the year-to-date growth of more than 21 index points, or 18 percent, in the IT job market in Westchester County is a positive indicator of its dynamic nature. Given the slow summer job market, the 3<sup>rd</sup> quarter decline can be viewed as an anomaly, an event that likely will be reversed in the 4<sup>th</sup> quarter.

Of the 11 categories comprising the index, two showed a significant gain. **Database Administrators** increased by 10 percent, followed by a slight uptick for **Network Systems and Data Communications Analysts**. Also of importance is demand for **Computer Scientists** in Westchester County. Demand for **Computer Scientists, Research**, is very strong, and has historically led the local market. However, the turmoil in the overall financial markets may have left its mark. Although this category increased substantially over a year ago, it dipped relative to the 2<sup>nd</sup> quarter (see the Historic Behavior document).



The market for **Network Systems and Data Communications Analysts**, graphed below, is generally slow; but the 3<sup>rd</sup> quarter was an exception. There was a slight increase of nearly five percent for these professionals. This may be a positive sign given the nature of this profession, which the portrayed fluctuations and downward trend suggest can be variable.



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