

The PACE/SkillPROOF IT INDEX REPORT

WESTCHESTER COUNTY REPORT APRIL 2008



"IT continues to be one of the fastest employment growth areas, and has great potential for the next generation of job seekers. Currently, there are a large number of successful companies that are either technology companies or have transformed themselves with the use of technology. Looking into the future, it is hard to imagine any job that will not have a component of IT."

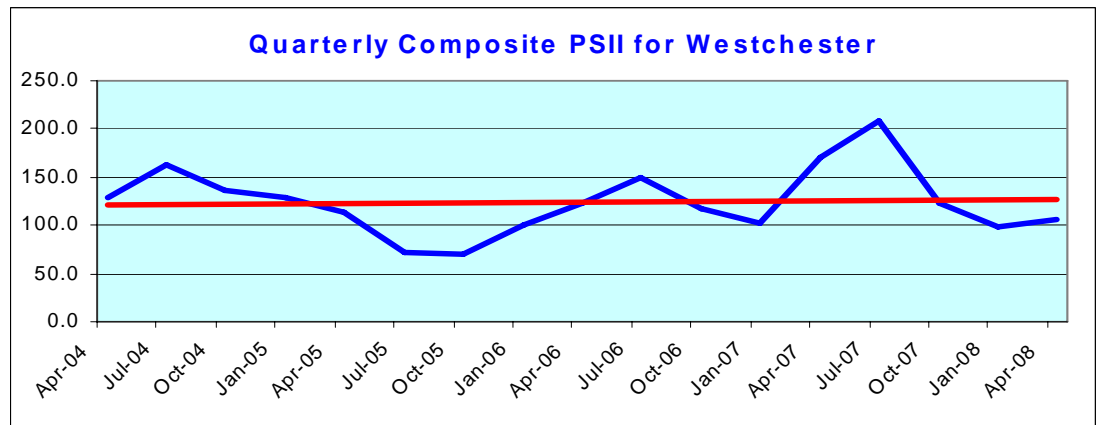
"With the baby boomers readying to retire over the next decade, it is important to note that for each person joining the work force, two will be retiring. The future for the IT professional is indeed bright."

-- **Abha Kumar**
Principal
Information Technology
Vanguard

Growth in Westchester Defies the Overall Job Market

Defying the overall job market, IT employment in Westchester County showed significant growth in the first quarter of 2008. The Pace/SkillPROOF IT Index (PSII) advanced 7.2 points, from 98.5 to 105.7. The credit crunch resulting from inappropriate lending practices by financial institutions and fear of recession did not negatively impact the Westchester market. In fact, the 4th quarter decline in 2007 reversed itself during the 1st quarter of 2008 and demonstrated healthy growth.

Of the 11 categories tracked by SkillPROOF, Inc., five showed substantial increases, two remained flat and four declined. Of those declining, only one, **Other Specialists**, dropped sharply which may have had a spillover effect on the others.



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

Statewide Labor Market Overview

Since February 2007, the number of nonfarm jobs in New York State increased by 80,000, or 0.9 percent, and the number of private sector jobs increased by 67,700, or 1.0 percent. Additional industry detail is presented in the table below. New York State's unemployment rate (not seasonally adjusted) was 5.0 percent in February 2008, down from 5.6 percent in January. In February 2007, the rate was 4.8 percent.

Industries with Job Gains

| | | |
|----------------------------------|---|--------|
| Educational & Health Services | + | 39,900 |
| Leisure & Hospitality | + | 14,600 |
| Government | + | 12,300 |
| Information | + | 3,500 |
| Professional & Business Services | + | 3,300 |
| Financial Activities | + | 1,100 |

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>.



Quarterly Quote

"The economic repercussions of a stock market crash depend less on the severity of the crash itself than on the response of economic policymakers, particularly central bankers."

-- **Ben Bernanke**
Chairman, US Federal Reserve

Technology Skills in Demand: SOA

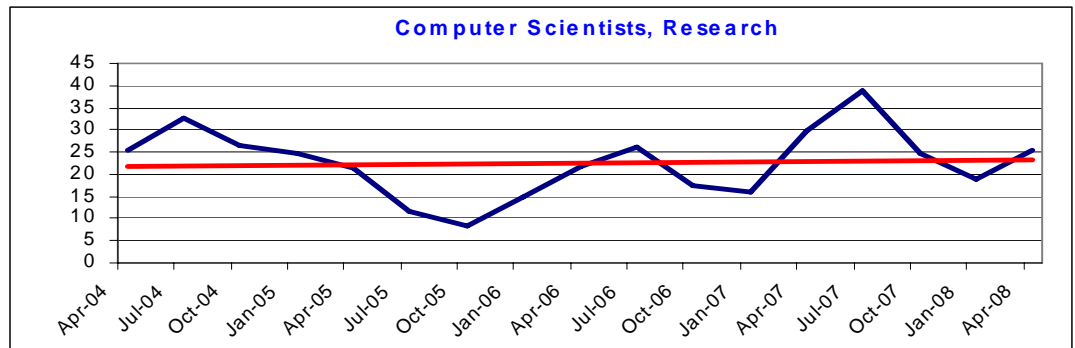
Service-Oriented Architecture (SOA) enables new ways of software development, deployment, acquisition and use. SOA platforms are built entirely on open source software and can be much cheaper than proprietary SOA platforms. Web services from software developers can be plugged in to provide the building blocks for new software application solutions.

Demand for SOA has grown 1000% (yearly average) since 2004 when demand was in its infancy. In 2007 employers in the NY Metro area provided an average 330 job openings on a perpetual basis. The strong growth suggests that SOA will become a staple in the skills inventory of IT

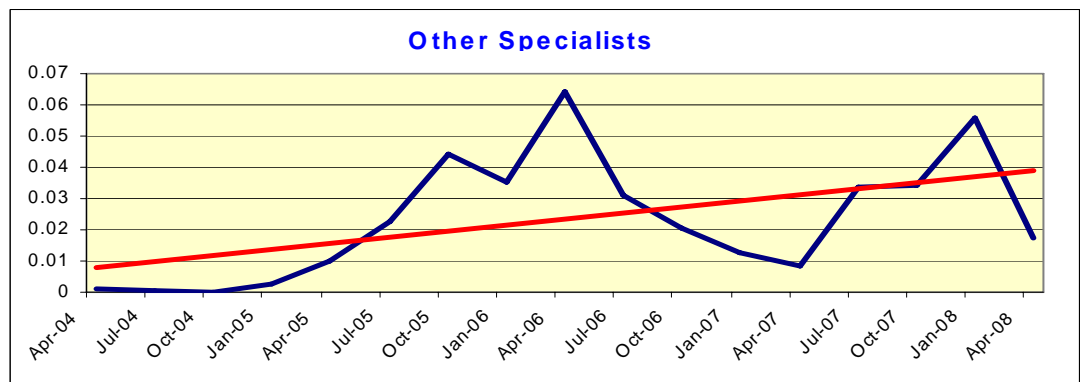
Service-Oriented Architecture: SOA Strategy, Methodology and Technology (Auerbach Publications), co-authored by Seidenberg faculty member, James Lawler, DPS, defines a practical program in management methodology for deploying this new technology.

First Quarter Analysis

Westchester County was recently named one of the top seven "intelligent counties" of the year by the Intelligent Community Forum, a global think tank that focuses on job growth and economic development in the broadband economy. PSII findings definitely support that designation. As the labor market in the nation declined, and the economy of New York smarted from the recent financial crisis, the job market for IT professionals reversed itself, showing a significant upturn.



On the other hand, **Other Specialists**, those who do not fall squarely into one of the 10 other categories defined by the US Bureau of Labor Statistics, graphed below, displays interesting market behavior. The steep rise in demand in this category in the 4th quarter of 2007 was an indicator of the varied nature of the demand for IT professionals in Westchester County. It appears that at the early stage of the downturn, market uncertainty prompted employers to hire people with varied expertise rather than those with a more specialized background. The decline in demand is more closely related to the characteristics of the county, and many of the lost jobs migrated to specialized areas.



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