

The PACE/SkillPROOF IT INDEX REPORT

WESTCHESTER COUNTY REPORT
JANUARY 2008



"Although the financial industry in Manhattan has been hit hard, the IT sector has done better than the labor market as a whole. Over the long run, it is clear that IT employment in this area is on a steady growth curve and there is nothing in this report to indicate any decrease in the number one position this area holds as an IT employer."

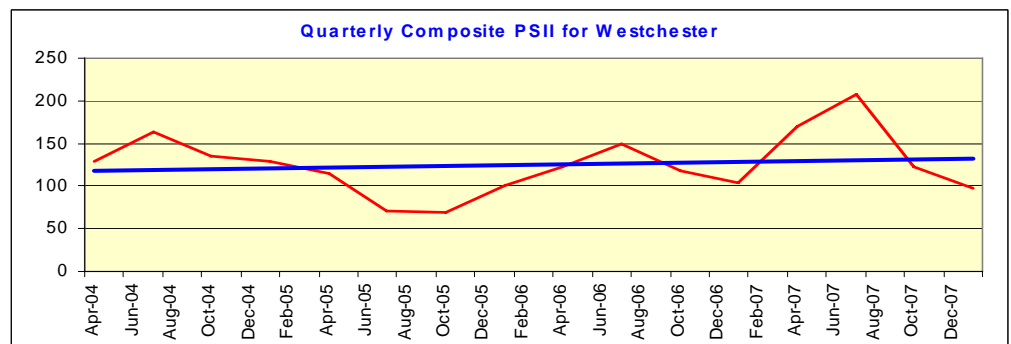
"All of us in the Metro area's IT community owe a debt of gratitude to Pace for continuing to take the pulse of technology employment marketplace. It helps IT managers with their planning and staffing -- and it helps prospective IT employees understand their promising future prospects."

-- Norman Jacknis
CIO, Westchester County

Growth Slows in Westchester but Future Projections Promising

The above title summarizes the current IT job market in Westchester County. The credit crunch caused by inappropriate lending practices of the financial institutions, combined with the generally slow 4th quarter labor market, evidenced by historic data, caused the market dip in the 4th quarter. The PSII dropped from 123 in the 3rd quarter to almost 99, a drop of 24 points. However, the overall market was not as negative. Of the 11 job categories tracked by SkillPROOF, three had a sharp increase, four increased moderately, three stayed flat, and only two declined.

In general, the overall market for the IT sector is relatively stable, as indicated by the positively sloped trend line, and a flattening tail of the historic graph, below. Given that the state of the labor market in New York area is better than the employment arena as a whole, and that the chance of a recession is minimal, we expect the labor market for IT specialists to grow in 2008.



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

Surveys show Positive Growth for IT Specialists through 2014

According to the Bureau of Labor Statistics projection, New York State will be attracting many IT jobs in the near future. The **Computer and Information Scientists, Research** category will capture 16 percent of the total openings by 2014, at an annual average of more than 30 new positions.

It is worth noting that demand for these professionals is highly specific and generated by only a few companies in the county, those involved in pure research.

Area	Title	2004 Employment	2014 Employment	Numeric Employment Change	Percent Employment Change	Average Annual Openings
United States	Computer and information scientists, research	22,390	28,120	5,740	25	830
New York	Computer and information scientists, research	1,220	1,420	210	16	30

States projected to exceed New York are California, Florida, Massachusetts, and Maryland.

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

“Over the years, the U.S. economy has shown a remarkable ability to absorb shocks of all kinds, to recover, and to continue to grow. Flexible and efficient markets for labor and capital, an entrepreneurial tradition, and a general willingness to tolerate and even embrace technological and economic change all contribute to this resiliency.”

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

Technology Skills in Demand

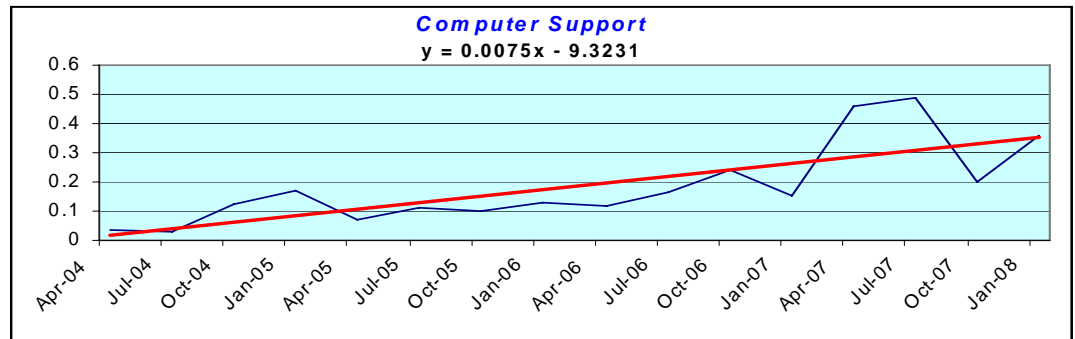
While the IT job market is tightening, some technology skills are growing in demand. Two leaders include:

Virtualization – a technology that allows multiple operating systems to run on the same computer. Demand for this skill grew 70% in 2007 and 183.3% since November 2005.

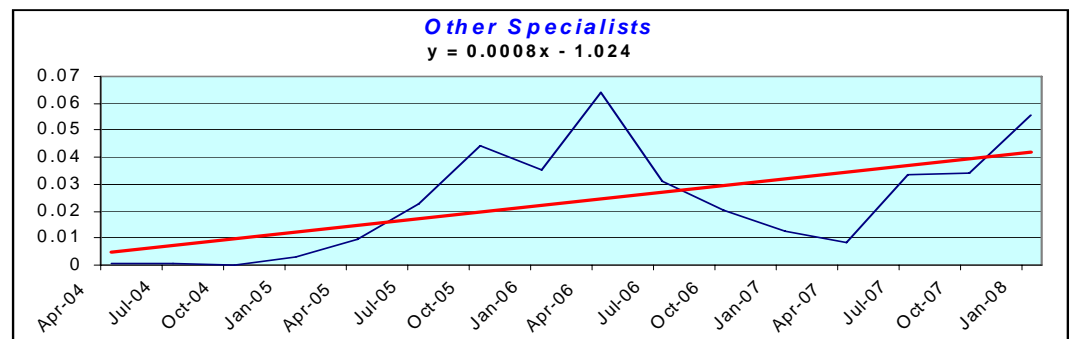
Ajax – an acronym for Aynchronous Javascript and XML is a programming technique to make Web pages more interactive. In 2007, demand for specialists with this skill rose 50% in the NY Metro area.

Fourth Quarter Analysis

The registered composite value of 99 for the 4th quarter of 2007 is better than 30 points above the value of 69 registered for the 3rd quarter of 2005 and only 4 points below the value of a year ago. For the IT labor market as a whole, 6 of the 11 categories showed a gain, with a Diffusion Index of 54. Among the gainers, the **Computer Support Specialists** performed best with an increase of 16 percentage point, followed by the **Other Specialists** up three percentage points, and **Network Administrators** up two percentage points. Of the 11 categories comprising the index, three declined sharply, three increased moderately and three remained flat.



Other Specialists, graphed below, displays interesting market behavior. The steep rise in demand is an indicator of the varied nature of the demand for specialists in Westchester County. It appears that potential employers are looking for people with broad expertise rather than those with skills mapping to the 10 other standardized job categories.



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