

# The PACE/SkillPROOF IT INDEX REPORT

NEW YORK COUNTY (MANHATTAN) REPORT  
OCTOBER 2011



Although there are signs that IT jobs are opening up, corporations are cautious about making the capital investments that drive IT projects and fuel IT hiring. As a result, most companies will defer new IT projects – the nature of which determines the types of skills and expertise required.

I advise people that the most important part of job seeking is knowing how to network – not how to write beautiful Java code. Building relationships and networking are primary steps in positioning yourself for the right IT opportunity. I urge you to learn this valuable skillset.

Areas in demand today are in security and business analysis, aka relationship management. Many companies like Accenture, IBM Global Services and Microsoft are looking for bright people who have strong technical, communication, strategic, project management and business skills.

An additional word of advice: be tenacious and reach out to those who can help you. The IT job market is going to improve. While you may not land your ideal job, get one – it will lead to better opportunities and expand your personal network.

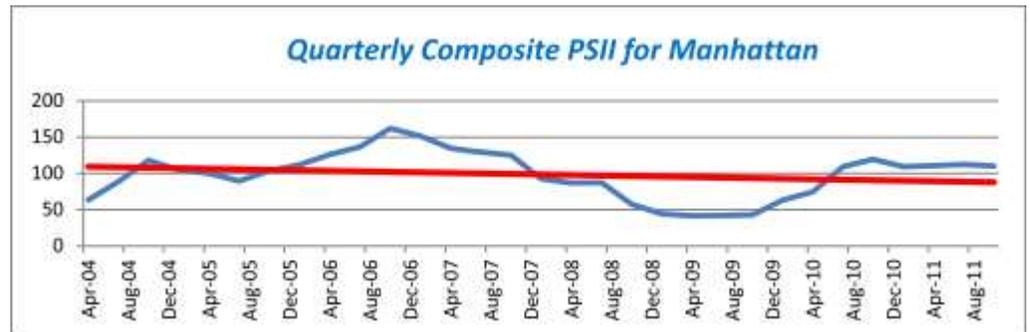
-- **Mike Egbert** (DPS '14)  
Account Technology Strategist  
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**Seidenberg**  
School of Computer Science  
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## Manhattan IT Job Market Down Slightly

The **Pace SkillPROOF IT Index (PSII)** registered 110 for the third quarter in Manhattan, approximately 2 percent lower than in the previous quarter and down more than 7 percent from a year ago. This pattern of market behavior can be described as *dynamic zig-zag*, and a mirror image of the labor market as a whole where the number of additional jobs created is always positive, but the unemployment rate remains steady. Although the PSII's overall annual growth was negative, with a seven percent decline, quarter-to-quarter behavior has been unpredictable. The 2 percent decline this quarter followed a 1 percent increase in the second quarter which, in turn, was preceded by a 2 percent decline at the beginning of the year. This quarter's decline did not come as a surprise given that the labor market as a whole is depressed. Further, late summer doldrums and severe weather in August may have contributed to the decline.



## Employment Outlook: IT Manager

In 2008, there were an estimated 293,000 **Computer and Information Systems Managers** nationwide. Approximately 16 percent worked in the computer systems design and related services industry. This industry provides IT services on a contract basis, including custom computer programming, computer systems design and integration, and computer facilities management. Other employers that require IT managers include insurance and financial firms, governmental agencies, business management organizations, and manufacturers. This occupation is expected to continue to grow 17 percent between 2008-2018.

Projections data from the National Employment Matrix						
Occupational Title	SOC Code	Employment, 2008	Projected Employment, 2018	Change, 2008-18		Detailed Statistics
				Number	Percent	
Computer and information systems managers	11-3021	293,000	342,500	49,500	17	[PDF] [XLS]

## EARLY BAROMETER: WHAT THE INDEX TRACKS

The Pace/SkillPROOF IT Index tracks job openings in New York County (Manhattan) and in a separate report, Westchester County, NY. Both versions use data obtained by SkillPROOF, Inc., which are based on a selection of 130 blue chip companies from a cross section of major US industries. Their names are proprietary, but all post openings for jobs in the New York area and automatically update job openings on their Web sites. Regional extrapolations are based on a formula derived from Bureau of Labor Statistics data and other calculations. For more information see [www.skillproof.com](http://www.skillproof.com). The Pace Index is 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 as diffusion indexes. For more information about the methodology visit the PSII Web site at <http://www.pace.edu/psii>.

*"Sometimes when you innovate, you make mistakes. It is best to admit them quickly, and get on with improving your other innovations."*

**Steve Jobs**

*Co-founder, and former Chairman and CEO  
Apple, Inc.*

Excerpt from  
**"One Country,  
Two Revolutions"**

by Thomas L. Friedman  
New York Times  
Sunday, October 23, 2011

"While Wall Street is being rattled by a social revolution, Silicon Valley is being transformed by another technology revolution – one that is taking the world from connected to hyperconnected and individuals from empowered to superempowered. It is the biggest leap forward in the IT revolution since the mainframe computer was replaced by desktops and the Web. It is going to change everything about how companies and societies operate.

"The latest phase in the IT revolution is being driven by the convergence of social media – Facebook, Twitter, LinkedIn, Groupon, Zynga – with the proliferation of cheap wireless connectivity and Web-enabled smartphones and 'the cloud' – those enormous server farms that hold and constantly update thousands of software applications, which are then downloaded (as if from a cloud) by users on their smartphones, making them into incredibly powerful devices that can perform myriad tasks.

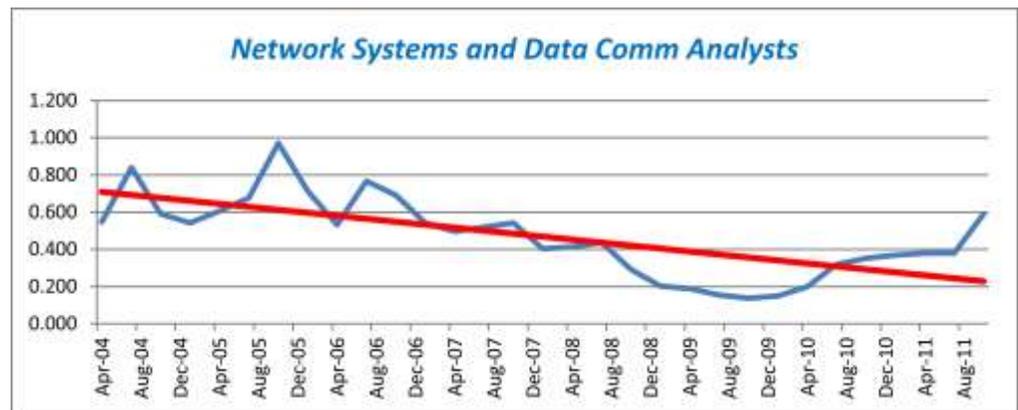
"The great thing about the new IT revolution,' says Jeff Weiner, the CEO of LinkedIn, is that 'it makes it easier and cheaper than ever for anyone anywhere to be an entrepreneur' and to have access to all the best infrastructure of innovation. 'And despite all of our challenges,' he adds, 'it is happening here in America.'"

**3<sup>rd</sup> Quarter Analysis**

As reported last quarter, the national "Jobless Recovery" continues to fluctuate between gains in some sectors and losses in others. In the quarter just ended and based on the adjustments made by U.S. Bureau of Labor Statistics, the economy added over 300,000 new jobs. These, however, were not enough to make a dent in the unemployment rate of 9.1 percent even though the 103,000 jobs added to the economy in September were almost twice what had been projected. The labor market in NY State has fared better. Of the 9.4 million currently active in the labor force, 8.7 million still hold jobs, resulting in an unemployment rate of 8 percent.

The market for IT professionals is even more promising. Almost 20 percent of all newly created jobs are for IT professionals and the unemployment rate for this group is below 5 percent, which is acceptable and considered to be the *natural rate* of unemployment. Data reported in this publication support this statement. The 2 percent decline in the third quarter, following a better than 1 percent increase in the second quarter is a good indicator of the dynamic nature of this industry, particularly in Manhattan where the trend line is steady and the market has remained above the trend for five consecutive quarters. It is expected that as we move into the fourth quarter and business activity improves, the market for IT professionals will see a healthy increase.

Of the 11 categories that comprise the PSII, all declined approximately 10 percent each, except for demand for **Network Systems and Data Communications Analysts** which increased by an impressive 55 percent. This profession also dominated the year-over-year comparison, with an increase of nearly 70 percent, while seven of the other categories declined over the past year.



We expect demand for IT professionals to increase at a faster rate than that for the labor market as a whole. The overall market requires structural adjustment, while the IT labor market has already been through this phase.

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