

# IT SERVICES UPDATE

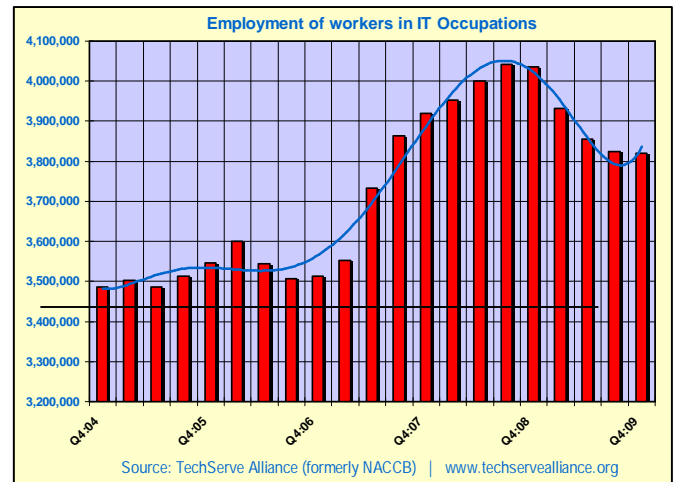
## IT Employment Predicted to Grow, Grow, Grow

Key IT sectors and related occupations are near the top of the growth charts in recently released 2008-2018 employment projections from the U.S. Bureau of Labor Statistics (BLS). The management, scientific and technical consulting services sector, for example, is projected to have the fastest growth in employment for all industries.

This consulting segment will also see sizeable growth (the third largest increase among all industry sectors). How sizeable? The BLS predicts the addition of 835,000 employees annually (or 6.2% yearly growth), reaching 1.8 million by 2018. According to the BLS, "Strong job growth is expected due to continued business demand for advice on planning and logistics, implementation of new technologies and compliance with workplace safety, environmental and employment regulations."

Computer systems design and related services are also predicted to enjoy above average employment growth. The industry is projected to add more than 656,000 jobs each year, totaling 2.1 million new jobs over the decade. Its expected growth is attributed to "increasing demand for the design and integration of sophisticated networks and Internet and intranet sites."

Computer and mathematical occupations are expected to grow twice as fast as all occupations from 2008 to 2018. The vast majority of the growth (97%) is attributed to the computer-specialist occupations that will add nearly 763,000 jobs by 2018 and are "driven by the continuing need for businesses, government agencies and other organizations to adopt the latest technologies."



## IT Staffing Predictions Rise for 2010

After two long years of uncertainty for IT executives and professionals, times are changing for the better. Predicted IT staffing trends are the first clue that the new direction is positive. According to *CIOInsight*, a recent poll of CIOs conducted by the Society for Information Management (SIM) found that 45% of surveyed CIOs say "they'll have more money to spend on staffers in 2010." That's up more than 10% compared to last year. Only 9% of CIOs say they will be "forced to spend less on salaries and such" in 2010 compared to 19% the year prior.

Along with spending, turnover was also low in recent years. IT workers stayed put during the recession with CIOs reporting turnover at 6.9% in 2009, down from 8.4% in 2008 and 8.1% in 2007. Those turnover numbers may be indicative of a looming talent retention challenge. According to consultancy Foote Partners in *ITBusinessEdge*, there are "a lot of highly paid but burned-out people" in the market who were asked to take on responsibilities without corresponding increases in pay and benefits.

According to a survey of 1,400 CIOs in *Network World*, 43% said that "retaining existing workers will be their top staffing priority in 2010" as the outlook for IT services improves.

## IT Sector Halves the General Unemployment Rate

As the overall unemployment rate reached 10.1% in 4Q:09, the comparable rate for all IT occupations was substantially lower, often less than half. At least one contributing factor for this trend is businesses reinstating IT projects and initiatives that were delayed during the recession.

Occupation	4Q:09 Unemployment Rate
Computer hardware engineers	4.6%
Computer and information systems managers	2.7%
Computer programmers	3.9%
Computer scientists and systems analysts	4.5%
Computer software engineers	4.0%
Computer support specialists	6.0%
Database administrators	2.0%
Network and computer systems administrators	7.8%
Network systems and data communications analysts	5.7%
<i>Source: unpublished tabulations of Current Population Survey data furnished by the U.S. Bureau of Labor Statistics.</i>	

Last year, overall average weekly wages grew 1.8% more as a result of hourly wage raises than increases in working hours. Several IT sectors also saw relatively larger hourly wage increases compared to the change in the number of hours worked.

Workers in data processing, hosting and related services saw, on average, hourly wages grow more than 13%. Their hours were incrementally reduced (down 30 minutes) resulting in a weekly paycheck increase of almost 13%. Workers at Internet publishing and broadcasting and Web search portals worked both longer hours and received hourly raises averaging 6.8%. The result was a 7.1% weekly paycheck increase. And workers in computer systems design and related sectors ended the year with a weekly paycheck almost 2% higher.

## When Considering Open Source ...

Despite an improving economic outlook, money to replace and/or update enterprise apps may still be hard to come by for IT organizations. The attractiveness of free open source software (OSS) may be hard to resist. Although OSS, by definition, is free to download and use, it likely needs customization to fit a particular enterprise. Here are some the many questions IT management should ask when considering OSS.

- ✦ How well has the product been adopted? What is its reputation within the user community?
- ✦ Is it compatible with business requirements? How does it integrate with other software?
- ✦ Will warranty or commercial support be needed? Is support available from high-quality firms and/or the contractor community?
- ✦ Is it secure/stable enough for mission-critical activities? Is it able to support all users for the foreseeable future?

### Tips & Tricks:

#### Defrag on a Regular Basis!

Although defrag app vendors widely extol the benefits of regularly defragging a computer's hard drive, many users don't bother. One major reason is that it can tie up the computer for long periods of time.

Here's the case for defragging: This simple process can improve a computer's performance so much as to possibly delay hardware replacement and extend the life of the drive. In addition, a defragged drive improves backup times by up to two-thirds.

To speed up defragging, run the defrag app immediately after restarting the computer. Since the operating system has cleared out the swap/paging file, the defrag process does not have to manage a huge swap file and can focus on only the necessary data.