

TECH ISLAND DIRECTORY

Tech sector jobs come under fire The economy, trends and technology itself tamp down IT hiring

By Claude Solnik

These are tough times for many technology professionals. IBM and AOL have laid off thousands. Wall Street and banks, amid consolidation and cutbacks, have trimmed tech staff.

Layoffs in the financial sector and the weak economy sent a tidal wave of tech professionals into the job market, creating a windfall of well-qualified workers for tech companies seeking to hire.

"There are more people looking for jobs," said John Scharfglass, president of Compugeeks in Farmingdale. "Right now the industry has changed along with the economy."

But unemployed tech workers have one ray of hope: Technology jobs now exist at nearly every firm.

"There's not a company that doesn't use technology," said Peter Goldsmith, president of the Long Island Software and Technology Network, based in Melville. "Bigger and midsize companies have IT departments."

Diversity provides the potential for opportunity. More than 90 percent of IT workers are employed outside of the IT industry, according to the U.S. Department of Labor.

"You might not think of 1-800-Flowers as a tech company, but it is," Goldsmith said. "1-800-Flowers sells through software."

TOUGH TIMES

The widespread use and rapid pace of technology advancements may prevent the IT industry from a total meltdown. And the projections for employment are rosy for certain segments of the tech sector, according to the U.S. Bureau of Labor Statistics. "Despite the downturn in the technology sector in the early part of the decade, the outlook for computer and information systems managers remains strong," according to the bureau.

Trends such as outsourcing, however, limit information technology employment. And technology itself is threatening jobs even more.

Software as service, or SaaS, a model that lets companies use software on an on-demand basis via the Web without paying up-front licensing fees, is the latest force rocking the IT industry.

"It affects in-house IT for small to medium-size companies," Scharfglass said. "As far as the maintenance with SaaS platforms, they've eliminated IT positions where tech people would get \$60,000 to \$100,000. They hire offsite techs to do basic maintenance."

Although many companies have tech staff, some no longer need to hire IT professionals to maintain their networks, thanks to improved connectivity. And small firms don't need to install full-blown exchange and file servers.

"That's putting a lot of technicians out of business," Scharfglass said. "The Internet is now being used for collaboration within a company. Before you would have owned the network."

Many tech workers are hired on a project basis, creating a fluid, but unstable industry where workers move from firm to firm.

"The industry seems to have a lot of freelance technicians, and many projects only call for short-term help," said Chris Spelman, an account manager at the Hauppauge office of Core BTS, which provides tech support. "I have seen resumes over five pages long listing over 30 projects for different employers."

DIVERSITY TRAINING

Scharfglass said tech workers in a down economy may do well to diversify their skills, learning general networking, computer maintenance and other aspects of IT. "You can't just specialize in one particular area and expect to keep your job," he said. "Some people are going back to school or trying to get into companies like mine, dealing with many products and services."

Despite the employment downturn, hiring in some specialties remains strong.

Staffing firm Robert Half International has seen a soft overall tech sector, but robust hiring for systems and network administrators. About 70 percent of CIOs surveyed by the firm said network administrators are the tech professionals most in demand. Wireless communications support specialists also are in demand now that PDAs such as Blackberrys have become the lifeblood of business.

Also in demand is Web expertise involving social networking, video and what's known as .net Web developers using Microsoft's newest platforms.

"We continue to see the Web being intertwined with

zation, it's less [attractive]."

HIGH-TECH HORIZONS

The future for tech employment is mixed. About 12 percent of CIOs in a recent Robert Half survey plan to add staff during the first quarter of 2009, compared to 4 percent anticipating reductions for a net 8 percent hiring increase, roughly flat with last year.

About 17 percent cited increased customer support as the primary factor behind IT hiring plans, up 7 percent from fourth-quarter projections. Others plan to hire to support software and hardware upgrades.

But companies are more cautious about upgrading computers and software, putting some projects on hold, which impacts hiring decisions.

"The economy has affected technology budgets by making employers really think about how a specific technology project can benefit the business," said Flaherty. "If they don't roll with as many projects, it's harder to justify full-time headcount."

Flaherty said Robert Half is seeing strong hiring of consultants, in part due to downsizing or reluctance to expand.

Tech retraining may be one of the biggest trends of the year, helping those whose careers were focused on narrow applications.

"A lot of the people in the financial community have to be retrained for technology jobs on Long Island," Goldsmith said. "Once you know certain things, it's not that difficult to learn things people are looking for."

Although changing technology will create a new crop of jobs, some point out traditional tech jobs will remain.

"Bottom line: Wherever there is a phone, an Internet connection and a computer being used by a human being, there will always be the need for at least the help desk," Spelman said.

every aspect of business," said Paul Flaherty, regional manager of Robert Half Technology, the technology staffing wing of Robert Half International, based in Pleasanton, Calif. "They're hiring more in the Web 2.0 skill set. They're adding new technologies, streaming video, animation. They're adding social networking components."

Flaherty said certifications are helpful, but executives often prefer workers with a history of success.

"Firms want to see how candidates have contributed to previous organizations, how they can transfer those achievements and add value," he said. "A certification is fine. But if you don't have a track record of implementing that in an organi-

