Fall 2006 Job and Career Trends for IT Professionals – *by Bob Langieri, Excel Technical*

What's really going on in the IT job market?

In 32 years of seeing the IT job market ebb and flow and witnessing cycles of recession and boom, I must conclude that the dynamics of an IT career have been reshaped in ways that are difficult to comprehend. Embarking on a programming career 20 or 30 years ago was simple: Learn a mainstream language like COBOL or RPG, and you had a career. Today, outsourcing, company mergers, and rapid advances in technology have become key factors that will affect your IT career.

In the 1970s, because the demand for programmers and other IT positions was so strong, IT people were lured from one company to another with sizeable salary increases, increased responsibilities, and real career growth. Technology was advancing at a relatively slow pace, and whatever you learned in terms of language, hardware support, or operations would possibly get you through your whole career until retirement. Now, whatever you learn today has a lifespan of five to seven years.

It has been over six years since the Y2K crisis came and went. Leading up to the crisis, programmers enjoyed a heyday of plentiful jobs, high contract rates, high salaries, and signing bonuses. Since then, we had a dot.com bust, a stock market crash, and a recession, all of which forced many companies to cut staff and curtail spending. Since 2003, the economy has come back, the stock market has risen, and the term "global economy" has new meaning. Many companies realized that they had to grow the company through acquisitions to survive. As a result of company mergers, the big "job killer," many jobs in IT are being eliminated. When companies merge, they don't need two IT directors or two data center managers. They don't need as many developers or support people once the systems are migrated to the dominant IT group. And the RPG-based ERP might be converted over to SAP or other software platforms.

When IT staff lose their jobs, they are usually not prepared for the time it may take to get employed again or for the difficulty of getting an interview because they lack certain skills. In the last five years, I have seen a number of talented, loyal IT professionals just give up and take jobs at Home Depot or Wal-Mart, doing clerical or administrative jobs. Others just retired early.

The IT job market has been going through some serious adjustments since late 1999. The skills that were in demand five years ago may not be enough today. Ten years ago, ILE was new and not required; five years ago, it was preferred. Today, not only is it expected, but you must also be excellent with it. Free-form RPG is now preferred, and next year it will be required, along with embedded SQL and some knowledge of Java and HTML. EDI is another skill that employers are adding to their wish lists. Being able to interchange iSeries data with Windows Office tools like Excel or Access is also beginning to be expected. You must constantly reinvent yourself and learn the new tools as they are becoming in demand.

Are Companies Hiring?

Despite outsourcing, offshoring, and company mergers, demand for IT people with the "right" skill sets or industry knowledge picked up in 2005 and 2006, but not as much as we would all like to see. If the economy cools off, which I believe it is doing, it will further dampen the job market for another two or three years. More people will be competing for fewer jobs. Company hiring authorities are already overly selective in hiring very specific and hard-to-find skill sets. Instead of hiring good IT people, they are looking for people with impossible skill sets. Positions are beginning to stay open longer, salaries are flat, and contract rates are down.

Fewer traditional programmer and system operator positions are available today. However, there has been job growth in the areas of project management, business analysis, business intelligence, data warehousing, CRM, data architecture, and software quality assurance in large enterprise environments. There is also solid demand for skills in the areas of SAP and Oracle/PeopleSoft in large enterprises. But RPG jobs for permanent or contracting have been very weak. There is still good demand for EnterpriseOne (formerly JD Edwards OneWorld) and a variety of other ERP software tools, Web services tools, Internet based e-business tools, and technologies like RFID, EDI, and XML. I believe that Microsoft .NET and WebSphere/Java will be dominant technologies that will be in demand for the next 10 years.

Where Are the Jobs?

Without actually counting and reading each individual listing on Dice.com, I feel it is safe to say that at least 85 percent of the listings are from recruiters, and in most cases, the same job is advertised by at least four agencies. Out of the 414 RPG jobs listed by Dice, 50 were listed by companies. However you look at it, jobs for RPG skills are dwindling, while jobs for business analysts and project managers show tremendous growth, as do jobs for C, Java, and MS .NET.

Dice.com United States Job Listings			
Job Category/Keywords	**9/2000**	**3/2005**	**8/2006**
All permanent job listings	116515	64896	90502
C	N/A*	6922	16608
All Oracle	22304	3305	16310
WebSphere	N/A*	1986	16226
All Java	30755	9244	14963
UNIX	33309	9967	14278
MS .NET	N/A*	7305	12392
Business Analyst	N/A*	2259	10210
Project Manager	N/A*	1587	11438
C++	N/A*	9423	7888
Jobs that include NT, Windows 2000/2003	26404	4859	6892
SAP	2396	4262	6492
C#	N/A*	9024	5351
DBA	5497	2227	3602
DB2	2519	2066	3514
Visual Basic	7744	6983	2716
PeopleSoft	1824	2114	2713
Oracle DBA	3796	548	2034
COBOL	1798	913	1365
Web Developer	31708	618	1294
All AS/400	**9229**	**431**	**515**
JD Edwards	N/A*	309	427
RPG	**526**	**295**	**414**
PeopleSoft EnterpriseOne/OneWorld	N/A*	172	148
Java and AS/400 ("Java" and "AS400" or "iSeries")	96	158	100
DB2 and AS/400 ("DB2" and "AS400" or "iSeries")	65	165	94

*No search was made in 2000.

It is becoming increasingly critical to be able to read the trends yourself by studying the job postings and to analyze what companies are looking for. Get feedback on your qualifications from experienced recruiters who know the iSeries/i5 market. Add important skills via classes, self-study with the aid of current technical books, Webinars, user group meetings, and/or regional technical conferences. Take the time to read the abundant technical e-newsletters to educate yourself and to become aware of trends. Read the business section of your local newspaper to find out what companies are making money, losing money, or merging. Be your own economist. It's your career!

Bob Langieri is the President and Director of Excel Technical, an IT staffing firm in Southern California and past President and current board member of OCEAN User Group. He can be reached at bob@excelsearch.com.

<div align="center">

Excel Technical Services, Inc.
30100 Town Center Dr
Laguna Niguel, CA. 92677
949+240-0438
www.excelsearch.com

</div>