



2009 IT Hiring and Salary Outlook

By John Rossheim, Monster Senior Contributing Writer

With the US economy tanking, the question for IT professionals is this: Is my niche relatively safe?

According to many observers, there is good news for IT folks in a number of sectors, whether they're veterans with decades of experience or recent graduates whose skills are untested in the marketplace: If you've got the right tech skills and can think like a line-of-business manager, you'll be in demand. "For sure, there is still a shortage of IT skills," says Jeanne Beliveau-Dunn, head of the certifications group at networking vendor Cisco Systems.



But with the economy likely to shrink for a good part of 2009, will employers be able to build their IT staffs, or at least fill vacant positions? Here's what we're hearing around the industry.

Will IT Head Count Rise, Fall or Go Flat in 2009?

The proportion of employers increasing their IT head count will edge up from 40 percent in 2008 to a projected 43 percent in 2009, according to a survey by the [Society for Information Management](#) (SIM) published in November 2008 using data collected in June.

Jerry Luftman says this number remains valid, even with the fiasco in the financial markets. "Information systems and business executives are not panicking," says Luftman, SIM's vice president for academic affairs. "In previous recessions, IT was the place to cut, cut, cut." Why not this time? Because IT has become a champion of cost-cutting across the enterprise, Luftman says.

Offshoring may be more of a threat to American IT jobs in 2009 than it has been in recent years. After trending down slightly since 2006, IT budget allocations for offshore outsourcing will jump from 3.3 percent in 2008 to 5.6 percent in 2009, the SIM survey says. Why the increase? "The economy is in a downturn, and many organizations believe they can get IT staff at a much lower cost offshore," Luftman says. IT executives may also feel financial pressure to try offshoring, even if they have concerns about quality, he says.

Financial IT Jobs Lost and Gained

Obviously, thousands of jobs in distressed banking and financial services firms will be lost to downsizing, mergers or bankruptcies. But for the companies left standing, "even in the worst crisis on Wall Street, networks still have to perform," says Beliveau-Dunn. For that reason, mission-critical IT operations will carry on, while many growth-oriented IT projects may be suspended or sacked, industry sources say.

But just as the Sarbanes-Oxley accounting reforms created work for IT professionals in the wake of the early-2000s corporate scandals, the current financial crisis is driving up demand for financial IT talent in select niches.

"The government has enacted new securities regulations and modified existing ones" to mitigate the effects of the financial crisis, says Ari Packer, a financial software engineer with Galatea Associates LLC in Somerville, Massachusetts. As a result, Packer and his colleagues have been putting in extra-long hours for their clients -- Wall Street broker-dealers -- to rework software that must continue to function well in a rapidly changing regulatory environment.

These IT Areas Are Likely to Remain in Demand

Broader areas in IT are likely to see relatively healthy employment in 2009. Through 2008, for example, “there’s been a lot of demand for people doing integration and IT people with a business background,” says **Matt Colarusso, a branch manager with Sapphire National Recruiting in Woburn, Massachusetts, a unit of [Sapphire Technologies](#).**

Networking skills especially in demand for 2009 will be in three areas, according to Beliveau-Dunn: wireless communications, [data center virtualization](#), and unified communications and collaboration. “Travel budgets have been cut tremendously, so you need to enhance your tools for [distance] collaboration,” she says.

But ultimately, negative growth will hurt IT employment across much of the economy. “To maintain a business of a certain size, you need an IT operation of a certain size,” Packer says. “If the business gets substantially smaller, so will IT.”

While IT salaries are expected to [rise 3.7 percent](#) in 2009, according to Robert Half Technology’s 2009 Salary Guide, 2009 clearly won’t be the best time to ask for a big raise. Still, certain specialists -- even some new grads -- may do relatively well. According to Robert Half, three examples of in-demand IT specialties and 2009 starting salary ranges are:

- Web developers, with starting salaries between \$60,000 and \$89,750.
- Programmer analysts with skills such as .Net, SharePoint, Java and PHP, who will command starting salaries of \$60,000 to \$100,750.
- Tier 2 help-desk workers, starting at \$36,750 to \$48,250.