

# The E-lusive Staff

4<sup>TH</sup> COMPUTERWORLD'S ANNUAL HIRING FORECAST

**E-commerce and Internet development are driving bold hiring projections for the year ahead. But the critical question remains: Where will we find these people?**

By Leslie Goff

**J**UST HOW DESPERATE are IT managers to get good e-commerce professionals on board? Just ask Eric Kidd. The chief technology officer and vice president of engineering at start-up Petsmart.com in Pasadena, Calif., is spending 40 hours per week — nearly two-thirds of his typical 70-hour week — on recruiting efforts alone.

Petsmart.com, a subsidiary of retailer Petsmart Inc., was launched in July and quickly jumped to the front of a crowded e-commerce category, the online pet store. But Kidd says he fears that his company's early market lead is at risk if he doesn't get ample e-commerce database, application development and quality assurance skills on board ASAP. At the same time, he's also staffing for his fledgling company's internal information technology infrastructure. In all, he plans to

add 50 people this year to his 24-person staff.

"The shortage of people resources constantly prevents new projects from getting work," Kidd says. "Our business needs generate a relentless thirst for new functionality. That unquenched thirst represents losses in opportunity to expand our lead in a very competitive industry."

Kidd's dilemma isn't unique to dot-com start-ups. E-commerce, in one form or another, and other Web-based initiatives are driving a good portion of the new IT hiring (as opposed to replacement hiring) this year. Across the country, and in all industry segments, IT managers are clamoring for Internet expertise to address their needs for online shopping sites, business-to-business e-commerce, extranet and intranet application development, and — the mother lode — database support that ties it all together with back-end systems. *The E-lusive Staff, page 92*



PETSMART'S JOE KIDD estimates he spends two-thirds of his work week trying to recruit IT professionals for the company's aggressive e-commerce efforts

# 4<sup>TH</sup> ANNUAL HIRING FORECAST

Overall, IT staffs will increase by an average of 4% nationwide in the first quarter and 13% during the year, according to *Computerworld's* Annual Hiring Forecast survey, conducted last fall. Staff growth will be strongest across the South, followed by New England, based on the hiring projections of 1,912 companies, employing 447,440 computer professionals.

While overall IT staff size won't be increasing dramatically for many companies, IT hiring will remain brisk, as managers cope with continuing IT attrition. For example, at financial services firm Paine-Webber Inc. in New York, Na-

talie Leone, vice president of corporate staffing, says she expects to hire approximately 550 IT professionals this year. Of those, between 15% and 20% will fill brand-new positions; the rest will be replacements for lost staffers. Of the 400 people CIO Paul LeFort says he expects to hire this year at health care provider United-Health Group Corp. in Minneapolis, most will be replacements as well.

Hiring continues to be a challenge, given low unemployment in general and IT skills shortages in particular. "Part of the problem is that a lot of Internet technology is piggybacked on Oracle, and so everyone is screaming for the same people," says Charles Buscemi, an IT recruiter at 1-800-Flowers.com in Westbury, N.Y. "Everyone is competition," not just other dot-coms, he notes.

Take Barnes & Noble Inc., for example. The bookseller,



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based in New York, maintains a separate IT operation from its online counterpart, Barnesandnoble.com LLC. But even without having to worry about dot-com initiatives, CIO Chris Troia is as strapped for database skills as everyone else. Relational databases drive all

of the company's major applications, from inventory management and merchandise replenishment to point-of-sale systems and in-store title search capabilities. Of Troia's 240-member staff, 90 are involved with database administration and development.

Beyond the database realm, competition is just as stiff for other Internet-related skills, especially Java, Microsoft Corp.'s Active Server Pages, Visual Basic and C++ application development, network architects and administrators, and Unix systems administrators. Partly because of the competition, and partly because IT shops want people who can hit the ground running, IT positions often linger unfilled as long as six to nine months, managers say — a lifetime when business is moving at Internet speed.

Petsmart's Kidd and others say they need people with at least three to five years of experience. "In the dynamic environment of the Internet, our [project] needs typically range from immediate to the very near term. We seldom have the opportunity to train or grow an individual into a position," Kidd says.

But because many of the technologies driving staffing needs are not much older than that three to five years companies are looking for — if that old — solid experience is hard to come by. That creates a vicious circle, says the technology director at a retailer based in the Southwest, who asked not to be identified.

"You don't want to hire an entry-level person, because it takes time to get people

## What's Hot in the New Year?

Percentage of IT managers surveyed who said hiring need was high in the following areas:

RANK/TECHNOLOGY	3 MONTHS	12 MONTHS
<b>1. Application development</b>	<b>35%</b>	<b>37%</b>
<b>2. Networking</b>	<b>34%</b>	<b>35%</b>
<b>3. Internet development</b>	<b>32%</b>	<b>41%</b>
<b>4. E-commerce</b>	<b>18%</b>	<b>27%</b>
<b>5. Data mining</b>	<b>17%</b>	<b>24%</b>

Percentage of IT managers who said the following technologies will be important:

RANK/TECHNOLOGY	3 MONTHS	12 MONTHS
<b>1. Storage-area networks</b>	<b>36%</b>	<b>51%</b>
<b>2. Next-generation directories</b>	<b>32%</b>	<b>51%</b>
<b>3. Sales force automation</b>	<b>30%</b>	<b>36%</b>
<b>4. Extensible Markup Language</b>	<b>29%</b>	<b>42%</b>
<b>5. Windows 2000</b>	<b>28%</b>	<b>62%</b>
<b>6. Wireless networks</b>	<b>28%</b>	<b>45%</b>
<b>7. Gigabit Ethernet</b>	<b>27%</b>	<b>56%</b>
<b>8. Voice-over-IP</b>	<b>26%</b>	<b>44%</b>
<b>9. Linux</b>	<b>22%</b>	<b>36%</b>

In the current environment, just about the only group of IT professionals possibly facing hard times this year are independent consultants. Survey respondents indicated that they will decrease their use of consultants and contractors in the first quarter by an average of 4% nationwide. With the exception of the Pacific, West North Central and Mid-Atlantic regions, companies across the country will be looking to replace contractors with full-time staff. For the 12 months overall, those regions will help boost IT contracting by 3%.

UnitedHealth Group, which has IT operations in Minneapolis; Hartford, Conn.; Greenville, S.C.; and Somerset, N.J., will cut its use of contractors by half this year, LeFort says, partly because it has wrapped up its Y2K projects.

"We used to run about 10% contractors, and we are turning 5% of those into full-time positions," LeFort says. "It's less expensive, and we're finishing up the projects that we had been using contractors for." ▀

Goff is a freelance writer in New York.

## The Top Regions for IT Hiring in 2000

RANK/REGION (STATES INCLUDED)	COMPANIES SURVEYED	PERMANENT IT STAFF NOW	3-MONTH PROJECTION	12-MONTH PROJECTION	TEMPORARY IT STAFF NOW	3-MONTH PROJECTION	12-MONTH PROJECTION
<b>1. West South Central</b> (Ark., La., Texas)	171	42,969	+9%	+25%	8,338	-14%	+3%
<b>2. South Atlantic</b> (Del., D.C., Fla., Ga., Md., N.C., S.C., Va., W.Va.)	286	89,988	+5%	+13%	7,007	-6%	-5%
<b>3. New England</b> (Conn., Mass., Maine, N.H., R.I., Vt.)	118	24,898	+4%	+14%	3,001	-26%	-5%
<b>4. East South Central</b> (Ala., Ky., Miss., Tenn.)	71	2,996	+4%	+14%	667	-6%	0%
<b>5. East North Central</b> (Ill., Ind., Mich., Ohio, Wis.)	376	63,834	+4%	+10%	9,454	-4%	-4%
<b>6. Pacific</b> (Alaska, Calif., Hawaii, Ore., Wash.)	254	10,872	+3%	+11%	1,436	+5%	+3%
<b>7. Mid-Atlantic</b> (N.J., N.Y., Pa.)	306	62,381	+2%	+12%	7,453	+9%	-2%
<b>8. Mountain</b> (Ariz., Colo., Idaho, Mont., Nev., N.M., Okla., Utah, Wyo.)	163	98,912	+2%	+10%	5,198	-2%	-6%
<b>9. West North Central</b> (Iowa, Kan., Minn., Mo., Neb., N.D., S.D.)	167	50,590	+2%	+9%	2,633	+6%	-5%
<b>TOTALS</b>	<b>1,912</b>	<b>447,440</b>	<b>+4%</b>	<b>+13%</b>	<b>45,187</b>	<b>-4%</b>	<b>-2%</b>

## The Top Industries for IT Hiring in 2000

RANK/INDUSTRY	COMPANIES SURVEYED	PERMANENT IT STAFF NOW	3-MONTH PROJECTION	12-MONTH PROJECTION	TEMPORARY IT STAFF NOW	3-MONTH PROJECTION	12-MONTH PROJECTION
<b>1. Gov't.: Federal/Military</b>	<b>108</b>	<b>84,849</b>	<b>+12%</b>	<b>+5%</b>	<b>2,782</b>	<b>+3%</b>	<b>+3%</b>
<b>2. Value-added resellers</b>	<b>95</b>	<b>26,628</b>	<b>+9%</b>	<b>+29%</b>	<b>2,993</b>	<b>-5%</b>	<b>+6%</b>
<b>3. Financial/Insurance/Real estate</b>	<b>144</b>	<b>31,340</b>	<b>+9%</b>	<b>+19%</b>	<b>3,260</b>	<b>+16%</b>	<b>+32%</b>
<b>4. Trans./Utilities/Comm.</b>	<b>132</b>	<b>68,537</b>	<b>+8%</b>	<b>+25%</b>	<b>5,792</b>	<b>+12%</b>	<b>+27%</b>
<b>5. Software development</b>	<b>106</b>	<b>25,692</b>	<b>+7%</b>	<b>+21%</b>	<b>2,709</b>	<b>+1%</b>	<b>+16%</b>
<b>6. Banking</b>	<b>58</b>	<b>7,920</b>	<b>+5%</b>	<b>+11%</b>	<b>1,155</b>	<b>-2%</b>	<b>+2%</b>
<b>7. Health care/Medical</b>	<b>149</b>	<b>16,691</b>	<b>+4%</b>	<b>+17%</b>	<b>2,379</b>	<b>-11%</b>	<b>-22%</b>
<b>8. Education</b>	<b>210</b>	<b>24,063</b>	<b>+4%</b>	<b>+9%</b>	<b>3,506</b>	<b>+9%</b>	<b>+9%</b>
<b>9. Computer mfg.</b>	<b>40</b>	<b>281,512</b>	<b>+3%</b>	<b>+14%</b>	<b>26,765</b>	<b>-4%</b>	<b>+1%</b>
<b>10. Wholesale/Retail</b>	<b>80</b>	<b>9,359</b>	<b>+3%</b>	<b>+10%</b>	<b>605</b>	<b>-6%</b>	<b>+7%</b>
<b>11. Mining/Const./Petrol.</b>	<b>60</b>	<b>16,364</b>	<b>+3%</b>	<b>+9%</b>	<b>6,461</b>	<b>+5%</b>	<b>+12%</b>
<b>12. Manufacturing</b>	<b>314</b>	<b>192,774</b>	<b>+3%</b>	<b>+8%</b>	<b>13,265</b>	<b>0%</b>	<b>+2%</b>
<b>13. Gov't.: State/Local</b>	<b>132</b>	<b>29,778</b>	<b>+2%</b>	<b>+8%</b>	<b>1,516</b>	<b>+13%</b>	<b>+17%</b>