

▶ Latest Trends in IT & Engineering Staffing and Solutions

IT Budgets Under Pressure in 2013 as Spending Priorities Face Close Scrutiny

InformationWeek recently published results from its 2013 IT Spending Priorities Survey of 513 North American business technology decision makers.

Many of the respondents commented that they felt their technology budgets were underfunded and their operations were often looked upon as cost centers. Budgets are "about the same" for 43 percent of respondents, decreasing for 13 percent, increasing for 39 percent and 5 percent answered "don't know."

For those 39 percent that have bigger budgets, 70 percent say the increase is between 5 and 14 percent and only 14 percent will be up 15 percent or more. A substantial amount, 16 percent, will see increases of only 1 to 4 percent in their budgets.

Despite feeling underfunded, IT managers said the technology goals of the organization were to drive business revenues. Improving business results ranked first, followed by improving internal customer service (improving external customer service was ranked fifth), maintaining and/or improving current systems was third, and refining information security and/or regulatory compliance ranked fourth.

The top IT project for the year was improving security – on 58 percent of the respondents' IT initiative list – with 49 percent saying they have or will receive new budget dollars for this initiative. Only 18 percent will be using savings from a different part of their IT budget. Increasing server virtualization was the next priority at 47 percent with 36 percent getting new money while 24 percent will be using funds from another IT budget item.

Other initiatives high on the to-do list were building or improving mobile apps; 25 percent will be doing so for employees and 24 percent, will be doing it for customers.

How IT Can Secure a Seat at the Company Strategic Planning Table

In many organizations, the IT enterprise is treated as a cost center. As the role of IT continues to shift from managing demands and requirements to a strategic business solutions consultancy role, SearchCIO.com believes technologists should "stop apologizing for IT's technology know-how" and be "able to talk the talk of the business."

The world of technology is rich with acronyms and jargon that IT professionals use to describe their work, but they can be a "turnoff for business users," according to a panelist. The common vernacular of many companies is often marketing terms. Instead of trying to have the rest of the company communicate in "IT-speak," the IT organization may find greater acceptance as technology consultants, and perhaps eventually as key strategic advisors, to learn "marketing-speak."

If IT leaders begin to refer to software releases as "product launches" as well as using terms such as "design," and "packages," non-IT executives/business users may better see the connections between technology and their own work products and processes.

When IT starts to speak the common language of the organization, there is a greater sense of collaboration and a greater understanding of the strategic importance that IT can bring to the table.

IT Spending Estimates in 2013 Reduced

Gartner Inc., the IT research and advisory company, made headlines when it issued its Q2 update of its Worldwide IT Spending Forecast reducing its estimate for annual 2013 IT spending growth to 2.0 percent from its previous estimate of 4.1 percent. However, much of the reduction is due to U.S. dollar exchange rates; in constant currency, 2013 IT spending is forecasted to grow at 3.5 percent, which is only down slightly from its earlier estimate. The other major reason for the downward adjustment was a reduction in spending on hardware.

Unemployment Rates for IT and Engineering Professionals Remain Well Below the National Average

The demand for IT and engineering professionals, as manifested by low rates of unemployment, continues to be very high and is not expected to change significantly in the future. While the overall unemployment rate was around 7.6 percent in Q2 2013, it's clear to see that the unemployment rate for all IT and engineering professionals was much lower. The dearth of some highly-skilled professionals is so severe, that there have been anecdotal reports of recently retired professionals being asked back by their employers.

IT Occupations (Q2 2013)

Computer hardware engineers	1.0
Computer and information systems managers	3.4
Computer network architects	2.2
Computer programmers	4.6
Computer support specialists	5.6
Computer systems analysts	5.8
Database administrators	5.4
Information security analysts	5.1
Network and computer systems administrators	1.1
Software developers, applications and systems software	1.8
Web developers	1.8

Engineering Occupations (Q2 2013)

Aerospace engineers	0.3
Chemical engineers	5.2
Civil engineers	3.9
Electrical and electronic engineers	4.5
Engineering technicians, except drafters	5.6
Industrial engineers, including health and safety	1.6
Materials engineers	4.5
Mechanical engineers	3.0

Source: unpublished tabulations of Current Population Survey data furnished by the U.S. Bureau of Labor Statistics

Tips & Tricks

Need to Lock-Down Your Data?

The security of company and government information has certainly been in the news lately. Don't want a hard drive or a laptop to disappear? Physically locking them down as well as searching departing employees for DVS, USB thumb drives, and other media and equipment are two tactics.

Technologically, transfers of data outside an organization can be monitored and possibly stopped before damage is done. And although a computer registry can be changed to disable USB and memory card ports, most IT pros worth their salt can simply "un" disable them.

So what's a security-conscious enterprise to do? Physically removing ports is one approach, but they can be quickly reinstalled by an enterprising "infiltrator."

Cyanoacrylate, which incidentally was developed in the early 1940s as a clear plastic-like material to be used in gun sights during World War II and also known as "Super Glue," can permanently seal up USB and memory card slots. Simple approaches can work.

The Internet of Things

If anyone has any doubts about the reality of what is being called "The Internet of Things," doubt no longer.

When Cisco CEO John Chambers says there's a new \$14.4 trillion global tech market emerging in the next 10 years, people tend to listen. And the company recently launched a new business group that was reported by Search Networking.com as already having about 500 employees and a \$200 million R&D budget.

The Internet of Things (IoT) refers to wireless sensors and chips in all sorts of everyday items controlled, measured and connected via the Internet. Business Insider reports that Cisco prefers to refer to the trend as the "Internet of Everything" and defines it as "the intelligent connection of people, processes, data and things."

Just the title – "The Internet of Things and the future of manufacturing" – of a recently published interview by a pair of McKinsey & Company consultants with top executives at German engineering and software companies reveals the significance of this emerging trend. They refer to IoT as the "fourth industrial revolution, a new wave of technological changes that will decentralize production control and trigger a paradigm shift in manufacturing."