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**NEW REPORT REVEALS PAY FOR TECHNICAL SKILL CERTIFICATIONS
ERODING MORE RAPIDLY...BUT NOT FOR SECURITY,
PROJECT MANAGEMENT, LINUX, AND OTHERS**

New Canaan, CT, August 18, 2003 – Bonus premium pay tied specifically to information technology certifications---steady in 2001 and 2002---has finally succumbed to economic conditions, while pay for standalone skills continued its freefall in the first half of 2003, according to a new trend report on the market values of nearly 150 technical skills and certifications researched and published by Foote Partners LLC.

“It’s been a disappointing couple of years for IT workers accustomed to being rewarded for their tech skills,” noted David Foote, President and Chief Research Officer for Foote Partners. “The average value of standalone skills plummeted 25% in 2001 and 2002 however, for skills certifications, premium pay actually *increased* slightly during that period. But so far in 2003 --- with a few notable exceptions --- this has all changed, and it looks like offshoring is part of the reason.”

Overall premium bonus pay for 57 certifications surveyed in the *Quarterly Hot Technical Skills and Certifications Pay Index* (36,000 IT professionals in 1,820 North American and European employers), fell by 4.1% in the first six months of 2003 and nearly 6% over the prior twelve months, to an average 7.7% (of base salary) in median bonus paid. Pay for 86 stand-alone tech skills in 2003 has meanwhile continued its long and steady decline, down another 5% in 2003 on average (to 6.7% of base salary). [FIGURE 1]

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Increased interest in outsourcing and particularly offshoring has put downward pressure on skills and certifications pay this year, especially relating to applications development. According to Mr. Foote, “These are monies that have traditionally been used to retain and motivate workers. As more work is transferred offshore or at least directed away from IT full-timers, premium pay becomes unnecessary. This is a major shift for skills and certs pay, and is undoubtedly one of the reasons why certifications pay is just now beginning to collapse after a pretty healthy run during this prolonged recession.”

Certifications Pay Findings [SEE FIGURES 2, 3, 4]

Leading the sudden drop in certifications premium pay has been **Webmaster/Internet** certifications (-13% in 2003) and **beginner certifications** like the MCP, CCP, and A+ (-13.6%). **Database** certifications, down 6.5 percent in value in 2003 and 14.7% in the past twelve months, nonetheless remains the highest paying certifications group, averaging 9.7% of base pay vs. 7.7% for all certifications in the current research. [FIGURE 2]

Still strong are popular **project management, security, and systems administration/engineering and network operating systems** certifications, which on average increased in value 6.7%, 2.3% and 1.5% respectively in the past twelve months. [FIGURE 3] Leading the certification charge are those relating to **Linux, security management, security auditing, and Unix and Windows administration** specialties, which have grown a healthy 13% to 25% in the past year. [FIGURE 4]

The highest paying certification continues to be for the **Project Management Professional** (average 16% of base pay at median), followed by **Certified Information Systems Security Professional, Citrix Certified Enterprise Administrator, Novell Master Certified Engineer, and Oracle Certified Professional/DBA**, (all at 11% of base). [FIGURE 4]

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Standalone Skill Pay Findings [SEE FIGS 5,6,7]

Skills pay in 2003 has been dragged down most by **messaging/groupware skills**, down 8.3% in the first half of 2003; **networking skills**(-6.4%); **applications development tools/programming languages skills** (-6%); and **enterprise applications skills** (-5%, -15%). [FIGURE 5] The most dramatic declines have been for cc:mail, HTML/DHTML, Perl, Baan, and Wireless Access Protocol.

Skills showing the strongest growth in the past year include **XML, VoiceXML, voice over IP, and Linux**, which all grew between 8% and 13% in value. [FIGURE 6] Categorically, **database** and **enterprise applications** skills continue to pay well above the average for all certs surveyed. But **rapid application development** and **extreme programming** continue to be highest paying standalone skills, followed by project-base security skills, XML, SQL Server, and Oracle Database skills. [FIGURE 7]

Managers say certifications still matter

“Many IT and business line managers interviewed in our most recent research support the notion that certification is a more meaningful measure for comparing IT workers than untested or self-reported skills competency,” observes Mr. Foote, adding, “They report higher comfort levels -- and success – in arguing for training expenditures when they can guarantee certifications in return. Some managers are convinced that certification demonstrates greater commitment to job and career, although I suspect that some of these people may also be biased towards specialization versus generalization in their notion of proper career development.”

Budget gate keepers continue to feel more comfortable making decisions awarding pay increases and offering training support to talented IT workers who keep their skills current through recertification, or who broaden their knowledge by adding complementary skills (e.g. security certifications for systems administrators, Unix specialists adding Linux certifications). In fact, more employers are sharing the cost of certifications training: approximately 19% of IT certification holders in our 2003 survey report shared the burden with their employer, against 16% in our 2002 research. Further, in 2003, 44% are shouldering the entire investment and 37% report that the cost of certification including study materials, books and fees is covered entirely by their

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companies. In our 2002 survey, 35% of certificants paid everything themselves and 49% said their employers picked up the entire tab. [FIGURE 8]

Trends to Watch

Our research indicates that strong demand can be expected for the following groups of skills and certification over the next year:

- Security
- Linux
- XML variants/Web services
- VoIP
- Wireless
- Enterprise project management
- Web-enabled analytics, management applications
- SAP/ABAP
- Storage (emerging)

“Employers continue to divert skills and certifications bonus pay to more experienced ‘impact’ workers and to those well-matched to priority projects, where return on investment is more assured,” notes Mr. Foote. “More than ever, in 2003 a smaller group of workers are being given a larger share of available bonus pools. So we’re seeing even more action in manager-level certifications like the CISSP and in categories like project management.”

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NOTES TO EDITORS

About the reports

The 2Q2003 Hot Technical Skills and Certification Pay Index (HTSCPI), Total IT Compensation Reports, and Skills and Certifications Quick Pay Reports are quarterly compensation research reports compiled from confidential data supplied by IT, business, and HR executives and validated via direct interviews with 36,000 North American and European IT workers from April 1 to July 1, 2003. The sample includes 1,820 private and public sector organizations and educational institutions in the United States, Canada and Europe, and more than 400 human resource departments. 40% of participating organizations have \$500+ million in sales or \$3+ billion in total assets or \$500+ million in premiums.

For further information please log on to:
http://www.footepartners.com/htscpi_latest.htm
<http://www.footepartners.com/SSCP.htm>
<http://www.footepartners.com/SCPQuick.htm>

About Foote Partners

Foote Partners LLC, founded in 1997, is a New Canaan, Connecticut based management consultancy and IT workforce research firm comprised of former Gartner Inc., META Group, and McKinsey & Company consultants and analysts, human resources executives, and IT managers. The firm employs innovative “IT insider” data collection methods and analytical techniques that get inside IT departments for a highly accurate, constantly updated, consistent and comprehensive view of what 36,000 IT workers are being paid in total IT compensation in the North America and Europe. For more information, please visit the Foote Partners website: www.footepartners.com.

Fig. 1

(Source: Foote Partners, Quarterly Hot Technical Skills and Certifications Pay Index)

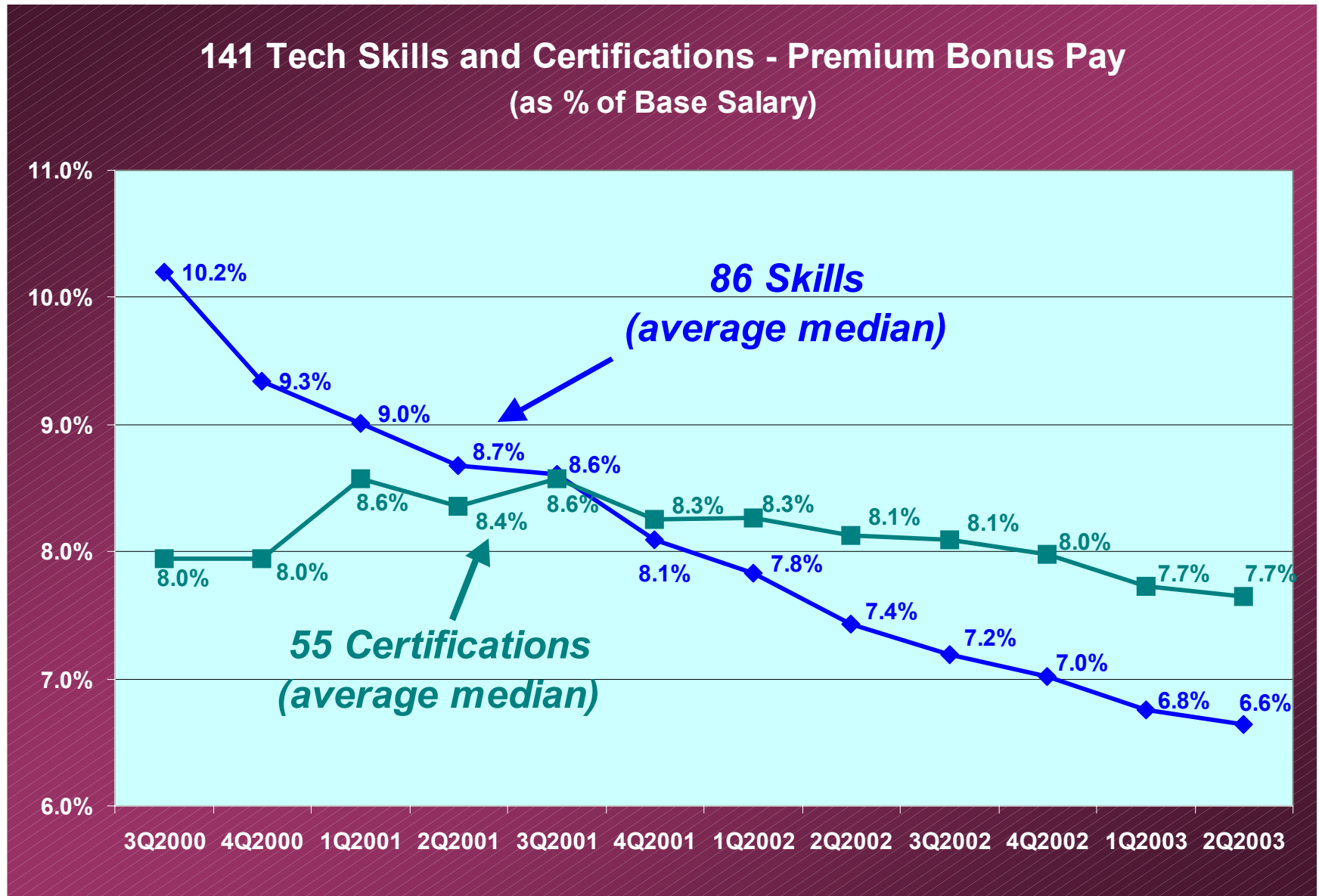


Fig. 2

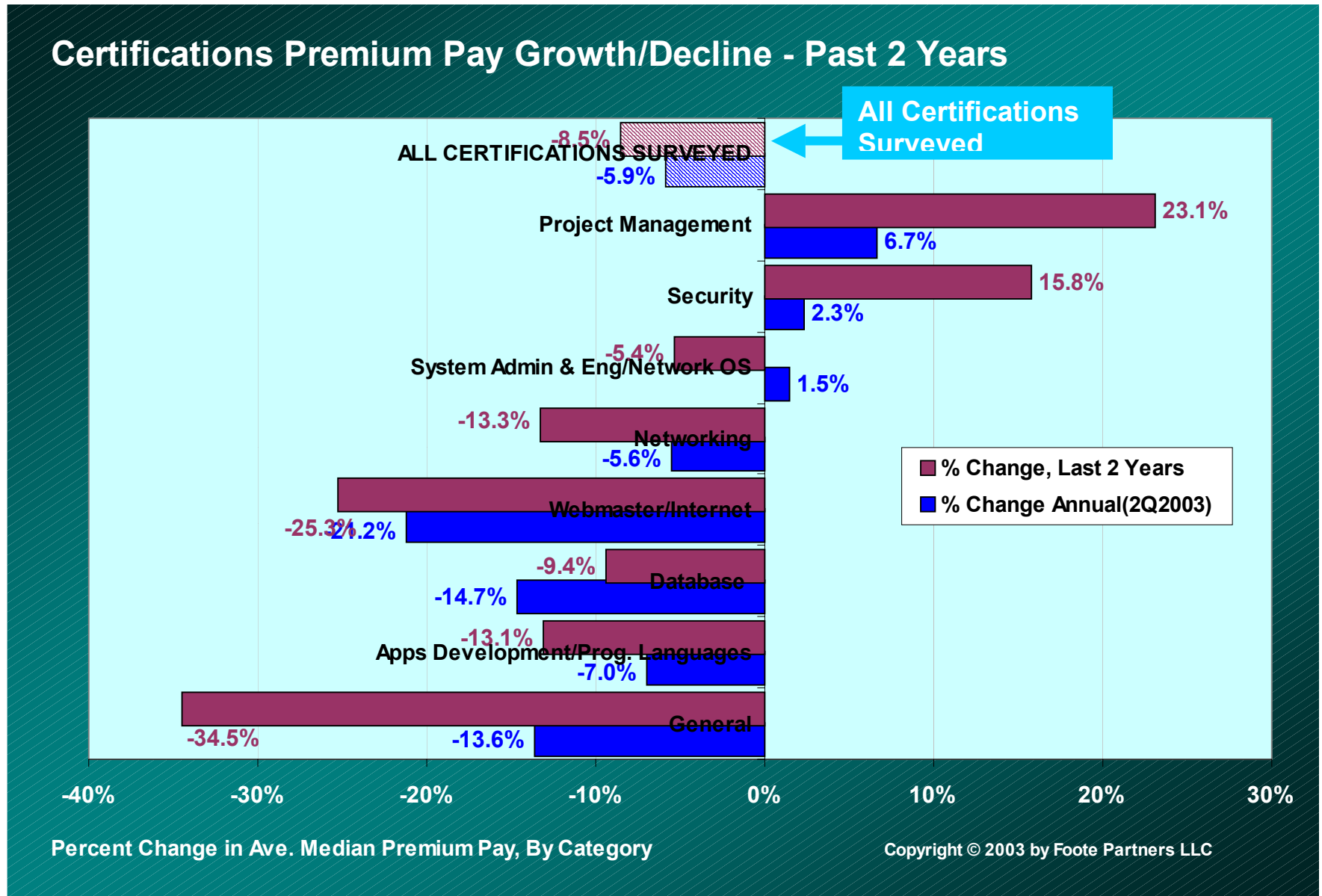


Fig. 3

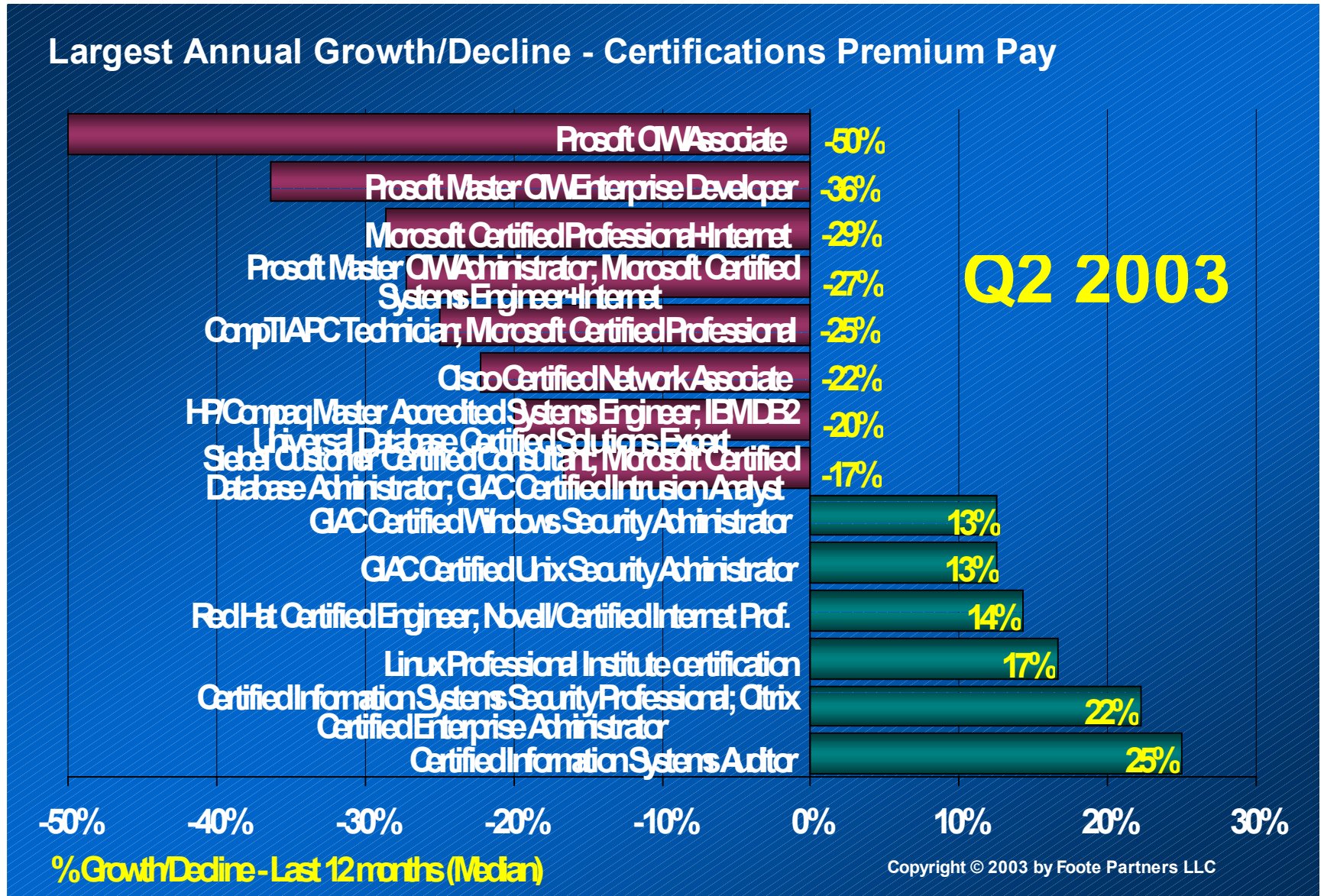


Fig. 4

Source: Foote Partners, Quarterly Hot Technical Skills and Certifications Pay Index

HIGHEST PAYING CERTIFICATIONS	% of base pay 2Q 2003*
Project Management Professional(PMP)	16%
Certified Information Systems Security Professional(CISSP)	11%
Citrix Certified Enterprise Administrator	11%
Novell/Master Certified Novell Engineer (Master CNE)	11%
Oracle Certified Professional (OCP DBA)	11%
Certified Information Systems Auditor	10%
Cisco Certified Enterprise Administator (CCEA)	10%
Cisco Certified Internetwork Expert (CCIE)	10%
Cisco Certified Network Professional (CCNP)	10%
GIAC Certified Intrusion Analyst (GCIA)	10%
Microsoft Certified Database Administrator (MCDBA)	10%
Microsoft Certified Solution Developer (MCSD)	10%
Microsoft Certified Trainer (MCT)	10%
	* at median

LOWEST PAYING CERTIFICATIONS	% of base pay 2Q 2003*
Certified Computing Professional (CCP)	3%
CompTIA PC Technician (A+)	3%
Microsoft Certified Professional (MCP)	3%
Prosoft CIW Associate	3%
Microsoft Certified Professional+Internet (MCP+I)	5%
Siebel Certified Consultant (SCC)	5%
Siebel Customer Certified Consultant (SCCC)	5%
	* at median

Fig. 5

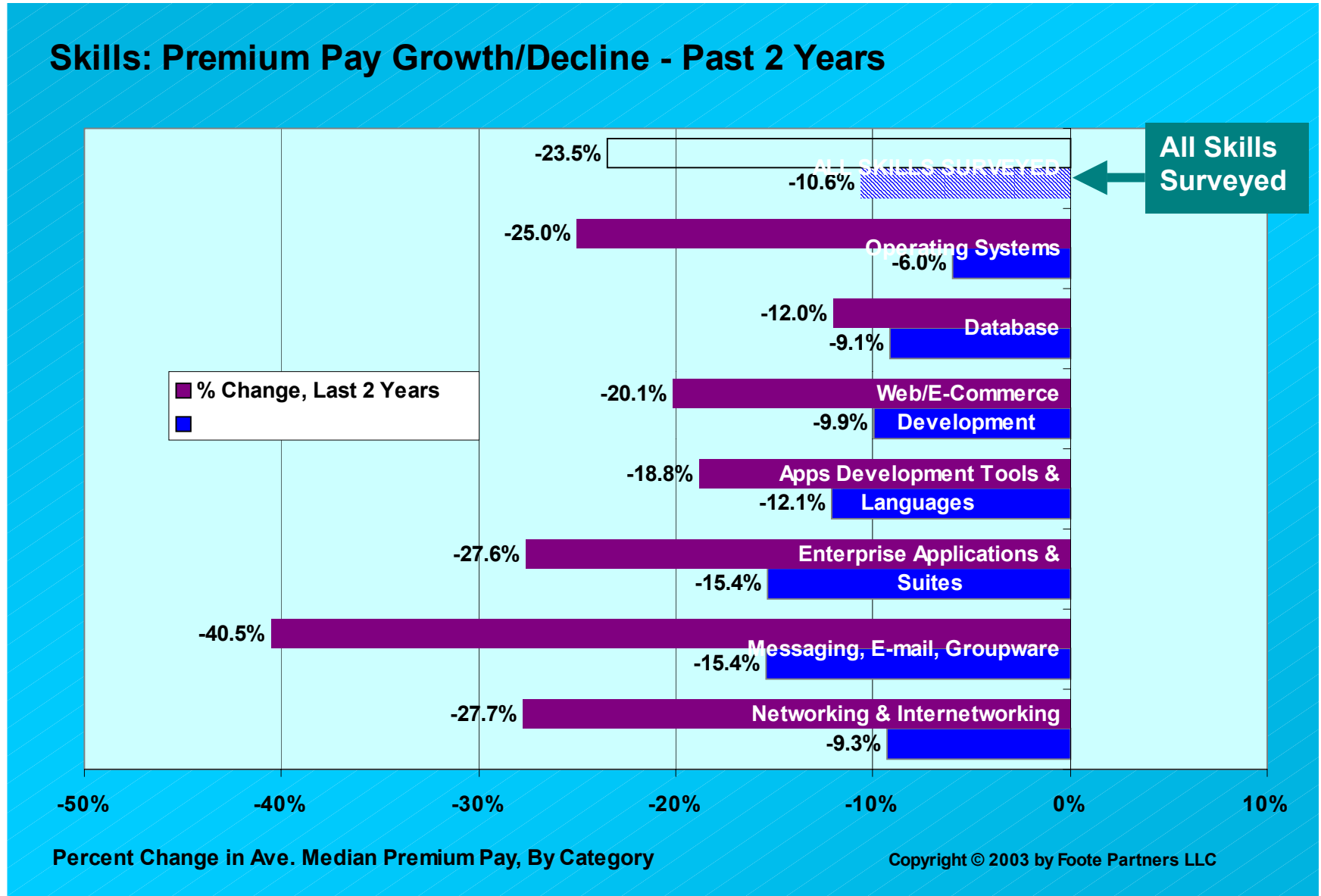


Fig. 6

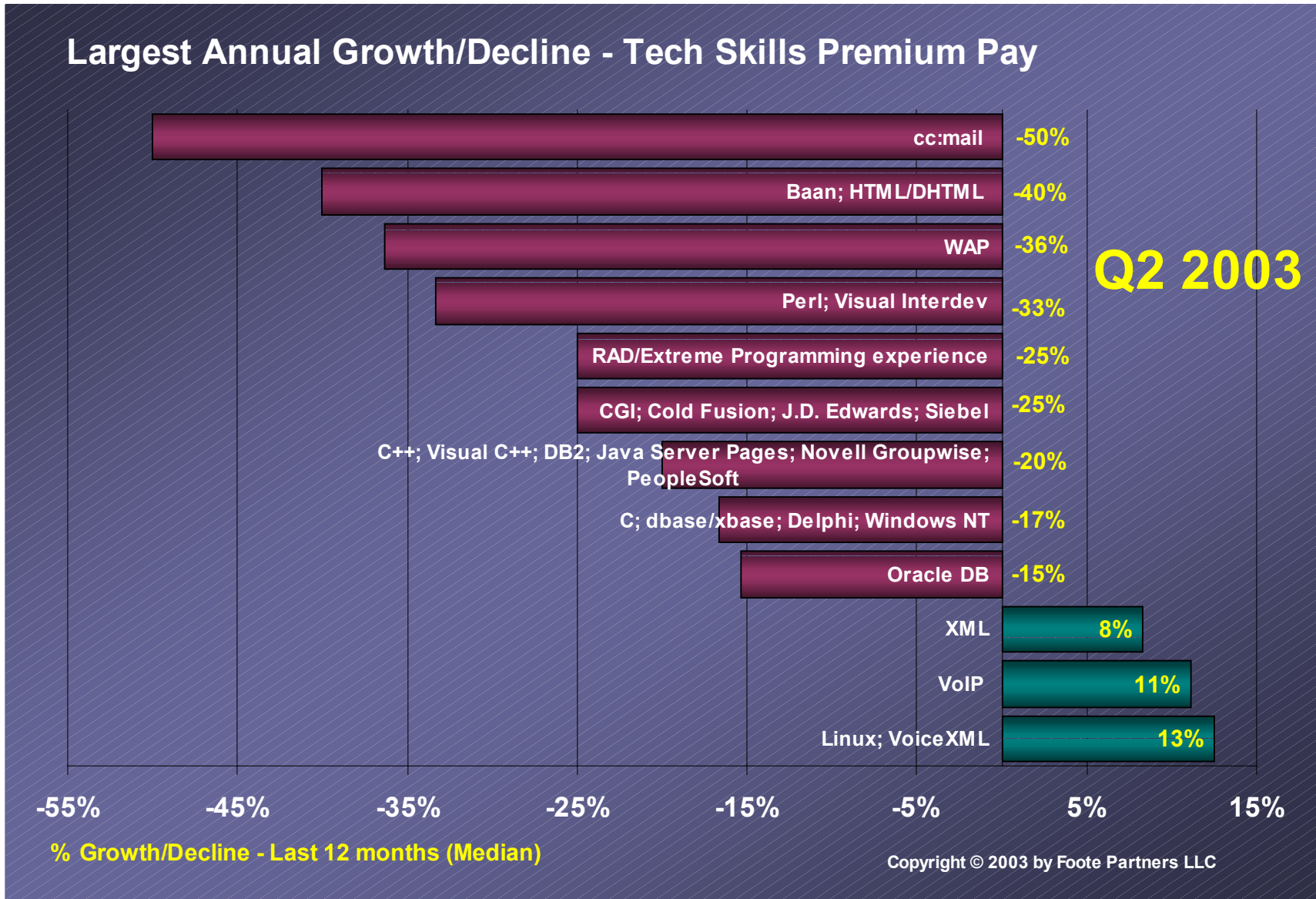


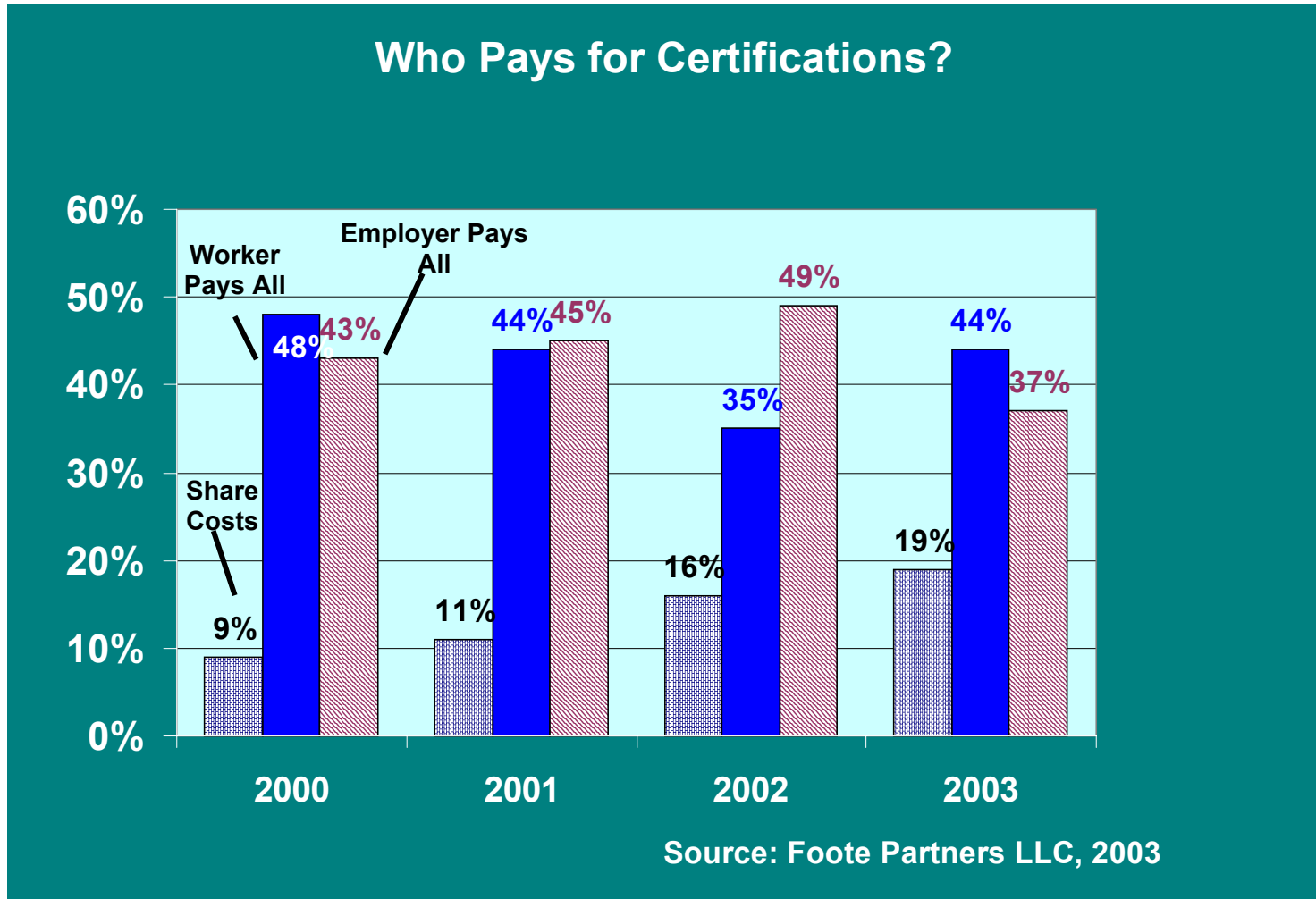
Fig. 7

Source: Footo Partners, Quarterly Hot Technical Skills and Certifications Pay Index

HIGHEST PAYING TECH SKILLS	% of base pay 2Q2003*
RAD, Extreme Programming experience	12%
Security skills with project assignments, e.g. DW, CRM, Web	14%
XML	13%
Microsoft SQL Server	11%
Oracle DB	11%
VoIP	10%
WML	9%
IPX	9%
Oracle EntAD	9%
VoiceXML	9%
Linux	9%
	* at median

LOWEST PAYING TECH SKILLS	% of base pay 2Q2003*
ATM	2%
Smalltalk	2%
SMTP	2%
Baan	3%
CGI	3%
Cobol	3%
Cold Fusion	3%
HTML/DHTML	3%
HTTP	4%
Novell Groupwise	4%
Perl	4%
PowerBuilder	4%
SNA	4%
Visual Interdev	4%
	* at median

Fig. 8



Market pay for these certifications and skills are reported in Foote Partners quarterly IT compensation research:

Networking and Internetworking Skills:

- TCP/IP
- VoIP
- SIP
- IPX
- SNA
- APPC
- SMTP
- WAN
- WAN/LAN
- WML
- Ethernet Switching
- 10Base-T Switching
- Gigabit Ethernet
- Routing (e.g. OSPF)
- WAP
- Jini (Sun)
- ATM
- HTTP
- Ethernet
- Windows NT Server
- OS/2 LAN Server
- Novell Netware
- Security skills

Application Development Tools,

Languages Skills:

- Visual C++
- Visual J++
- C++
- C
- C#
- Visual Basic
- Java/J2EE, SE, ME
- Smalltalk
- Delphi
- SQL Windows
- PowerBuilder
- Oracle Developer
- Progress/Development tools
- Cobol
- RAD/extreme programming

Operating Systems Skills:

- Windows NT
- Windows 2000/ME
- Unix
- HP-UX
- AIX
- Solaris
- Linux
- Apple OS

Web/E-Commerce Skills:

- JavaBeans/EJB
- Java Server Pages
- Active Server Pages
- XML
- PHP
- SOAP
- SAML
- VoiceXML
- HTML
- XHTML/DHTML
- JavaScript
- VBScript
- JScript
- CGI
- Perl
- Cold Fusion
- ISA server
- IIS, Apache servers
- Visual Interdev
- Microsoft .Net (Visual.Net, ASP.Net)
- WebSphere

Enterprise Applications and Suites Skills:

- Oracle Enterprise Apps
- PeopleSoft
- J.D. Edwards
- Baan
- Lawson
- SAP
- ABAP
- Siebel
- Project/functional experience

DBMS/RDBMS Skills:

- Oracle
- DB2
- Sybase Adaptive Server
- Microsoft SQL Server
- Microsoft Exchange 2000 Server
- Visual SQL
- Progress/Apptivity
- dbase/xbase
- Microsoft Access

Certifications:

- Certified Information Systems Auditor(CISA)
- Certified Information Systems Security Professional(CISSP)
- Certified Network Security Professional(CNSP)
- Certified Computing Professional(CCP)
- Certified Network Professional(CNP)
- Certified Novell Engineer(CNE)
- Novell/Novell Master Certified Novell Engineer(Master CNE)
- Novell/Certified Novell Administrator(CNA)
- Novell/Novell Certified Directory Engineer(NCDE)
- Novell/Certified Internet Professional(CIP)
- Cisco Certified Internetwork Expert(CCIE)
- Cisco Certified Network Professional(CCNP)
- Cisco Certified Network Associate(CCNA)
- Cisco Certified Design Associate(CCDA)
- Cisco Certified Accredited Professional(CAP)
- Citrix Certified Enterprise Administrator(CCEA)
- Citrix Certified Administrator(CCA)
- HP/Compaq Master Accredited Systems Engineer(Master ASE)
- HP/Compaq Accredited Systems Engineer(ASE)
- CompTIA PC Technician(A+)
- CompTIA Internet Technician(I-Net+)
- CompTIA Network Technician (Network+)
- GIAC Certified Intrusion Analyst(GCIA)
- GIAC Certified Incident Handler (GCIH)
- GIAC Certified Firewall Analyst(GCFW)
- GIAC Systems and Network Auditor(GSNA)
- GIAC Certified Unix Security Admin(GCUA)
- GIAC Certified Windows Security Admin(GCWN)
- GIAC Security Essentials Certification(GSEC)
- IBM DB2 Universal Database Certified Solutions Expert(DB2)
- LAN Server Engineer(LSE)
- Linux Professional Institute certification
- Lotus Certified Lotus Specialist (CLS)
- Lotus Certified Lotus Professional (CLP)
- Microsoft Certified Solution Developer(MCSD)
- Microsoft Certified Systems Administrator(MCSA)
- Microsoft Certified Systems Engineer(MCSE)
- Microsoft Certified Systems Engineer + Internet (MCSE+I)
- Microsoft Certified Professional(MCP)
- Microsoft Certified Professional+Internet(MCP+I)
- Microsoft Certified Trainer(MCT)
- Microsoft Certified Database Administrator(MCDBA)
- Oracle Certified Professional (OCP)
- Project Management Professional(PMP)
- Prosoft Master CIW Enterprise Developer
- Prosoft Master CIW Administrator
- Prosoft Master CIW Designer
- Prosoft Master CIW Website Manager
- Prosoft Master CIW Associate
- Red Hat Certified Engineer(RHCE)
- Siebel Certified Consultant(SCC)

Messaging, Office and Groupware Skills:

- Lotus Notes/Domino
- cc:mail
- Novell Groupwise
- Microsoft Exchange

Certifications (cont.d)

- Siebel Customer Certified Consultant(SCCC)
- Siebel Certified Business Analyst(SCBA)
- Sun Certified Programmer for the Java 2 Platform
- Sun Certified Developer for the Java 2 Platform
- Sun Certified Enterprise Architect for the Java 2 Platform, Enterprise Edition
- Sun Certified Network Administrator for Solaris OS
- Sun Certified Systems Administrator for Solaris OS
- Sun Certified Programmer for the Java 2 Platform

Footo Partners LLC – IT Compensation Research Product Family

QUICK PAY REPORTS (\$50) allow purchasing up-to-date market pay rates for 150 certifications and skills in 16 different categories (database, networking, project management, security, etc.). Find out what others are earning *right now* for their certs or skills, or if you are underpaying or overpaying your workers for theirs. <http://www.footopartners.com/SCPQuick.htm>

TOTAL IT COMPENSATION REPORTS (\$300) are categorical, grouping together salary/bonus survey data for selected IT jobs in 15 selected cities plus specifically related skills and certifications market pay data...all in a single package. There are nine Total IT Compensation Reports available covering: Networking; Security; Database; Windows; Data Warehousing/BI, Project Management, Web/I-net, E-commerce, and Applications Development. <http://www.footopartners.com/SSCP.htm>

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