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FOOTE IT NEWS ANALYSIS – Bureau of Labor Statistics US Employment Report – September 2011

Vero Beach, FL – Sunday, October 7, 2011. In an analysis of Friday’s release of the September 2011 U.S. employment numbers by the Department of Labor Bureau of Labor Statistics (DOL/BLS), Foote Partners reports a net gain of 11,500 jobs in two IT services job sectors—**Management and Technical Consulting Services** and **Computer Systems Design and Related Services**---representing the sixteenth consecutive month of positive job growth in these job segments. (SEE FIGURE 1).

“There have been 76,200 jobs added to these segments in the last six months, and nearly 130,000 in the last twelve months. There’s no question that consulting firms and systems integrators are benefitting from current corporate staffing strategies for acquiring needed pure technology skills---which is to rent them, not to buy them,” says David Foote, CEO at IT analyst firm Foote Partners that publishes proprietary national labor trend research.

“The broader trend continues to be employers hiring hybrid IT-business professional with combinations of both business and technology knowledge, experience, and skill sets unlike those found in traditional IT organizations. It’s nearly impossible to track these hybrids in the monthly federal jobs reports because they’re found in the business lines, corporate departments, product development groups, and in a wide variety of implementation and support functions throughout the enterprise. But make no mistake,” insists Foote, “It’s a very robust job market for them at the moment.”

Warning signs on the horizon

Fears of a possible dip back into economic recessions have not been alleviated by three key statistics in Friday's federal jobs report (SEE FIGURES 2, 3, 4, 5)

- Long term employment, defined as those jobless for 27 weeks or more, increased by 200,000 workers in September.
- The number of “discouraged workers” — those who have given up looking for jobs -- increased by 23,000 workers last month now stands at 1 million total.
- The number of persons employed part time for economic reasons (sometimes referred to as involuntary part-time workers) rose by 500,000 in September and now totals 9.3 million workers

FIGURE 1 – U.S. Department of Labor/Bureau of Labor Statistics – Job Situation Report (Through September 2011)

CUMULATIVE JOB SITUATION TRENDS – IT PROFESSIONALS

Highlights for five bellwether IT jobs segments)

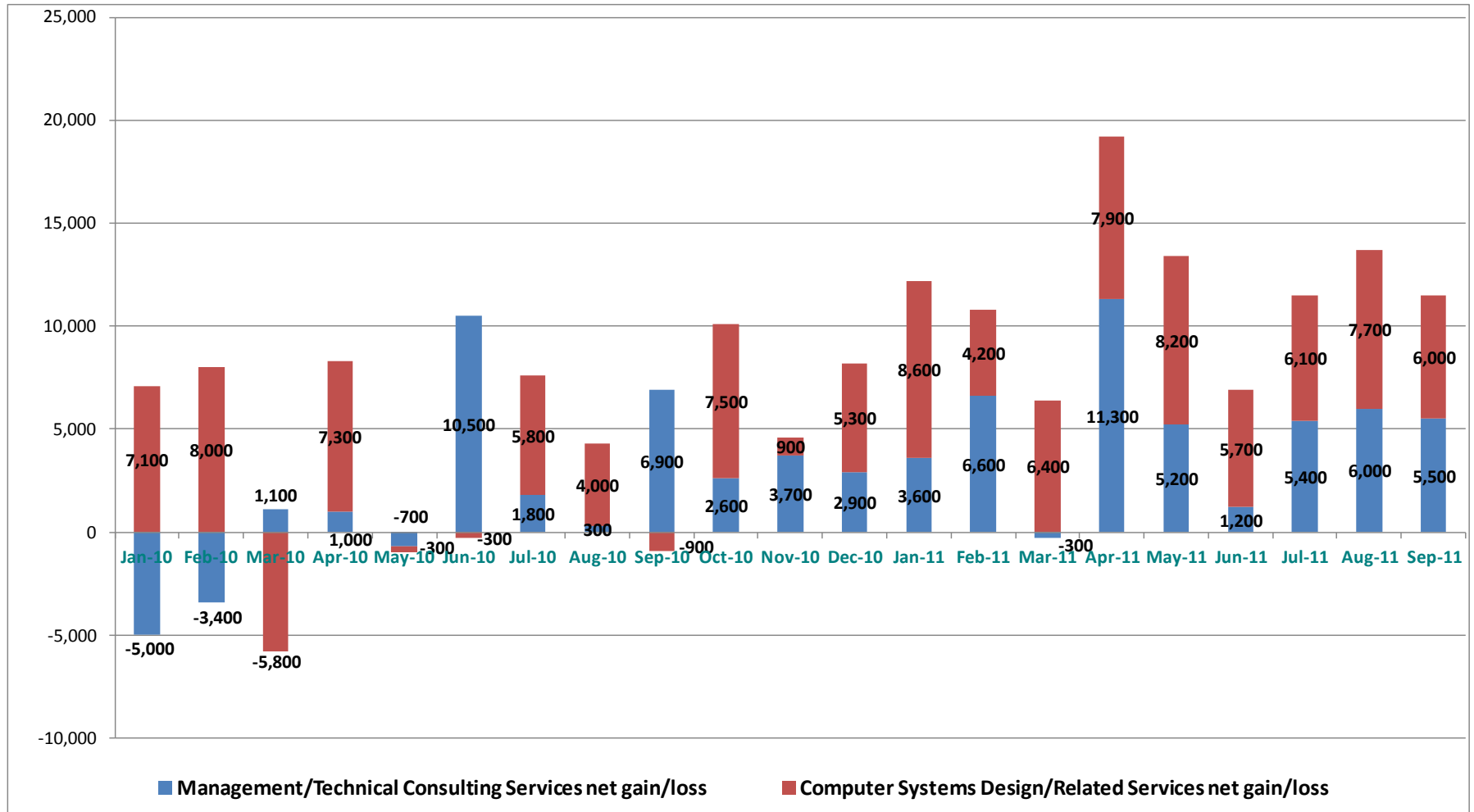
U.S. LABOR DEPT CUMULATIVE NET JOB GAINS/DECLINES							
JOBS SEGMENT	12 mos.	10 mos.	7 mos.	6 mos.	4 mos.	3 mos.	2 mos.
	Oct'10 - Sep'11	Dec'10 - Sep'11	Mar'11 - Sep'11	Apr'11 - Sep'11	Jun'11 - Sep'11	Jul'11 - Sep'11	Aug'11 - Sep'11
Professional and Technical Services	223,500	209,400	190,100	155,400	82,100	57,900	40,200
<i>Segment 1:</i> Management/Technical Consulting Services	53,700	47,400	34,300	34,600	18,100	16,900	11,500
<i>Segment 2:</i> Computer Systems Design/Related Services	74,500	66,100	48,000	41,600	25,500	19,800	13,700
Information	-23,000	-23,000	-18,000	-14,000	-15,000	-15,000	-14,000
<i>Segment 3:</i> Telecommunications	-29,300	-31,300	-21,000	-17,200	-12,800	-12,400	-9,700
<i>Segment 4:</i> Data Processing/Hosting/Related Services	-3,100	-3,600	-1,200	-700	-1,000	-700	-500
TOTAL - ALL 4 IT SEGMENTS	95,800	78,600	60,100	58,300	29,800	23,600	15,000
Tech Services segments	128,200	113,500	82,300	76,200	43,600	36,700	25,200
Information segments	-32,400	-34,900	-22,200	-17,900	-13,800	-13,100	-10,200

Key: **Net job declines in red**
 Net job gains in green

Source: US Department of Labor/Bureau of Labor Statistics.
Data chart and analysis by Foote Partners LLC

FIGURE 2 – JOB GROWTH/DECLINE - Management/Technical Consulting jobs vs. Computer Systems Design/Related services jobs

Net job gains/losses from January 2010 through September 2011)



Source: US Department of Labor/Bureau of Labor Statistics.
Data chart and analysis by Foote Partners LLC

FIGURE 3

UNEMPLOYED AND UNDEREMPLOYED PERSONS:

Total vs. Long-Term vs. Part-timers

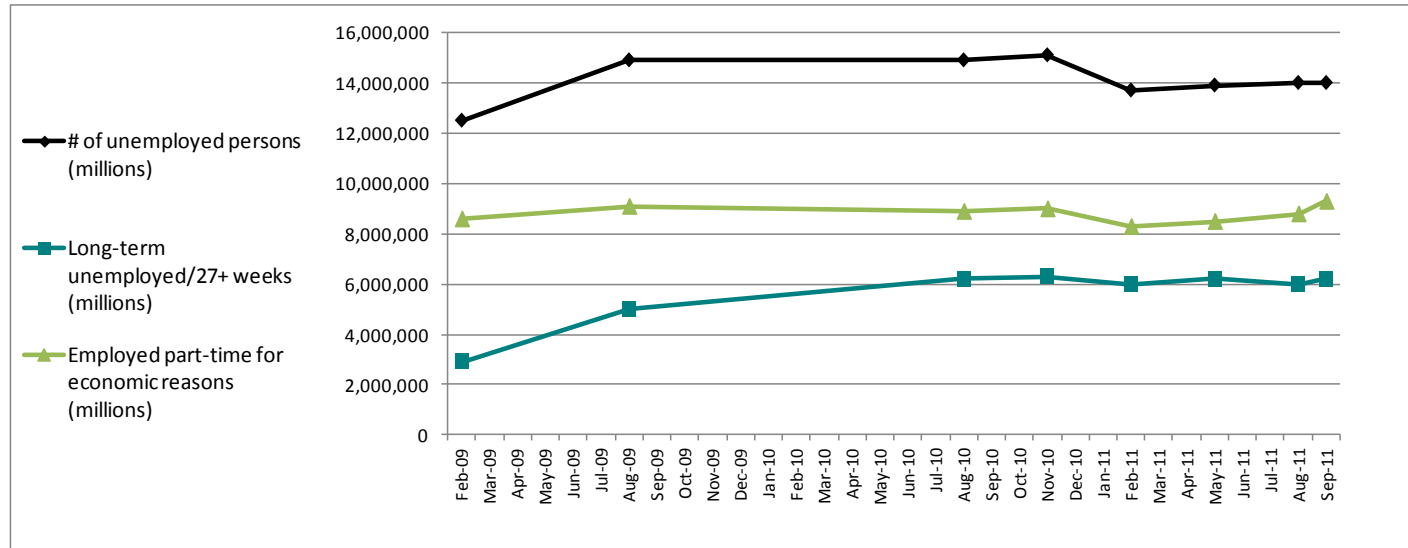
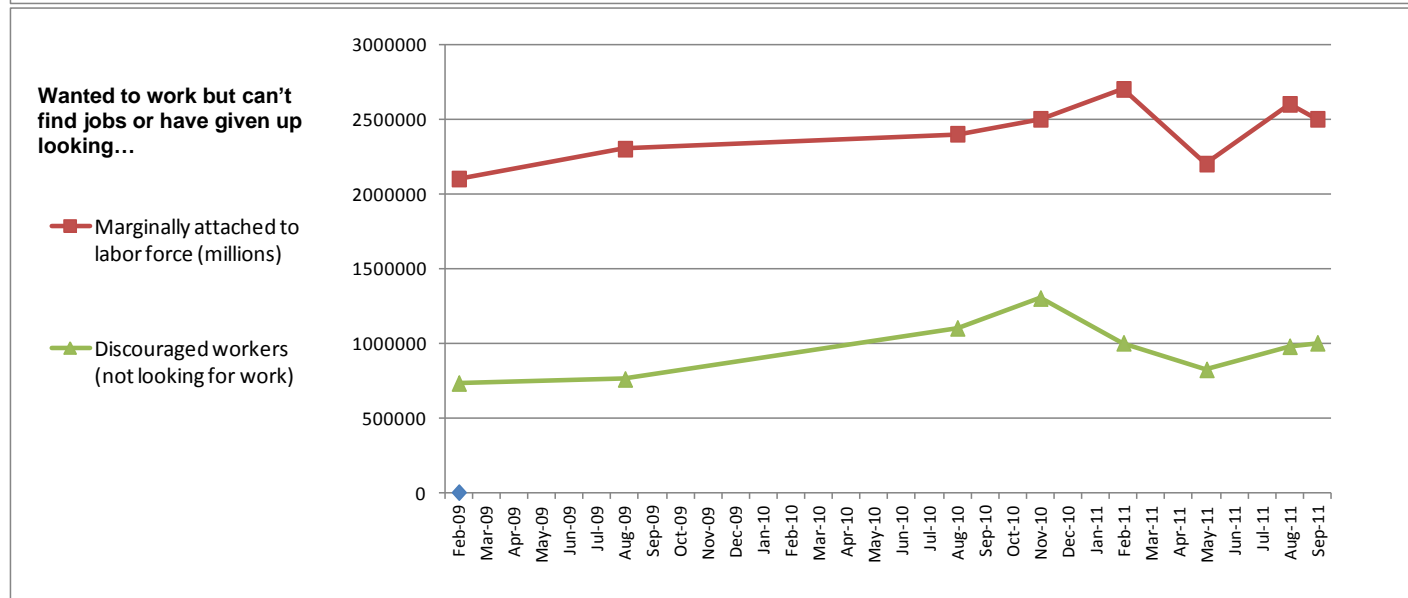


FIGURE 4

LABOR FORCE COMPOSITION

Marginally attached vs. Discouraged



Source: US Department of Labor/Bureau of Labor Statistics.
Data chart and analysis by Foote Partners LLC

FIGURE 5 - U.S. Department of Labor/Bureau of Labor Statistics – Job Situation Report (Through September 2011)

KEY EMPLOYMENT STATISTICS – Last 30 Months

	Feb-09 (31 mos. ago)	Aug-09 (25 mos. ago)	Aug-10 (13 mos. ago)	Nov-10 (10 mos. ago)	Feb-11 (7 mos. ago)	May-11 (4 mos. ago)	Aug-11 (1 mo. ago)	Sep-11 (Now)
Unemployment rate	8.1%	9.7%	9.6%	9.8%	8.9%	9.1%	9.1%	9.1%
# of unemployed persons	12.5 million	14.9 million	14.9 million	15.1 million	13.7 million	13.9 million	14.0 million	14.0 million
Long-term unemployed--27+ weeks (% of total unemployed persons)	n/a	n/a	42.0%	41.9%	43.9%	45.1%	42.9%	44.6%
Civilian labor force participation rate	65.6%	65.5%	64.7%	64.5%	64.2%	64.2%	64.0%	64.2%
Employment-population ratio	60.3%	59.2%	58.5%	58.2%	58.4%	58.4%	58.2%	58.3%
Employed part-time for economic reasons	8.6 million	9.1 million	8.9 million	9.0 million	8.3 million	8.5 million	8.8 million	9.3 million
Marginally attached to labor force	2.1 million	2.3 million	2.4 million	2.5 million	2.7 million	2.2 million	2.6 million	2.5 million
Discouraged workers (not looking for work)	731,000	758,000	1,100,000	1,300,000	1,000,000	822,000	977,000	1,000,000

Source: US Department of Labor/Bureau of Labor Statistics.
Data chart and analysis by Foote Partners LLC

ABOUT FOOTE PARTNERS

[Foote Partners LLC](#) is a Vero Beach, FL based independent IT benchmarking research and advisory firm targeting the ‘execution’ side of managing IT capabilities and the human side of technology value creation. The firm provides deep benchmark research and pragmatic and forward-thinking advice about building and managing the modern business/IT hybrid professional workforce. Founded in 1997 and comprised of former Gartner and META Group industry analysts, McKinsey & Company and Towers Watson consultants, and former corporate HR, IT, and business executives, Foote Partners has been a thought leader and trusted advisor to more than 2,000 employers on six continents that are seeking new ways to improve IT’s impact on their businesses and customers.

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