

Indie B-Ds, asset managers look to Wall Street for techies

But glut of IT workers creates fierce competition for fewer jobs

By **Davis D. Janowski**
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Amid the failures and mergers on Wall Street, there is at least one silver lining for independent broker-dealers and smaller asset managers.

Catastrophes at such venerable firms as The Bear Stearns Cos. Inc., Lehman Brothers Holdings Inc. and Merrill Lynch & Co. Inc., all of New York, mean that smaller firms will be able to attract better-qualified technologists for less money. Traditionally, smaller firms haven't been able to recruit technologists from wirehouses, because they couldn't compete with the salary and bonus packages that those firms paid.

For example, Commonwealth Financial Network of Waltham Mass., pays a decent salary with bonuses and a stock option package that is competitive for anywhere but Wall Street, said Bret Goldberg, recruiting manager for the broker-dealer. Recognizing that the time is right to recruit, the firm has 15 technology positions to fill, including help desk workers, web developers and user interface specialists. But while there are job openings at independent firms, there also are more people with an interest in acquiring those positions.

"There are still plenty of opportunities out there for [technologists, but] there's just a lot more competition," said Angelica Michaels, director of IT recruiting for RJ & Makay, a nationwide IT recruiting firm in Colorado Springs, Colo.

Because there are fewer jobs, many candidates will be forced to accept lower salaries than they have earned in the past, and that means that independent firms will be able to attract higher-caliber candidates.

Salaries in the past ranged from \$70,000 to \$130,000 for midlevel people, with upper-level management earning more than \$200,000, Ms. Michaels said.

For instance, experienced network administrator with 20 years' experience, who on average make around \$60,000, will earn around \$50,000 in a new job, and might have to relocate, according to PayScale Inc. in Seattle.

Similarly, an IT project manager with several years' experience who earned \$79,000 to \$95,000 but was laid off will earn \$59,000 to \$79,000.

In addition, the median salary for IT directors is \$87,000 to \$114,000 nationwide, except those based in New York, who earn around \$120,000. The salary for this position has slipped to between \$70,000 and \$96,000.

New York and San Francisco command a 10% to 20% premium, said Dr. Al Lee, director of quantitative analysis for PayScale.

Moreover, for IT employees, everything is up in the air, said an information technologist at Lehman who asked not to be identified.

"It's absolute mayhem," he said, referring to the bankruptcy and merger of Lehman's U.S. operations with London-based Barclays PLC.

He said none of the company's midlevel and lower-level IT employees have been released. Instead, they have been classified as "at-will" employees, meaning that they can be let go at any time.

Analysts are uncertain just how many of the thousands of employees who were let go were from the IT sector.

"We see dozens [of resumes] a day, hundreds a week, who are either proactively looking, as is the case with many of the IT folks from Lehman, or [who] have been laid off from other firms like Bear Stearns," said Jesse Marrus, a managing director and partner at Street Advisor Group, a New York financial services recruiting firm.

Placing many of these people is an even bigger problem because of the large numbers who aren't citizens and therefore require a work visa.

"If there is the same sort of wave of closures and drying up of resources in New York that we saw in the Bay Area and Seattle during the 1990s tech bubble, our research indicates that people with very nice jobs now who are laid off will likely have to look elsewhere to replace them," Mr. Lee said.

It appears that competition for jobs will be fierce, said Stan Dlugozima, a senior technology recruiter with RCG Information Technology Inc. in Edison, N.J.

"Up until July or August, if there was a specific position a manager needed to fill and a recruiter was given 10 desired qualifications, you could get a candidate that met six of those, and you were fine," he said

"Now that manager will say, 'OK, I want eight or nine of the 10. They're being much more selective,'" Mr. Dlugozima said.

NEW YORK HIT HARD

One of the hardest-hit areas is New York, where the number of technology jobs is down about 10% for the year, though they have fallen nationwide as well. However, the number of people searching for jobs has increased 25% from last year, said Tom Silver, senior vice president with Dice Holdings Inc. of Urbandale, Iowa.

Among the firm's subsidiaries are job search websites Dice.com and eFinancialCareers.com.

There continues to be demand for people with hard-core programming skills, such as experienced Java developers and Oracle database administrators, Mr. Silver said.

Even more sought after are technologists who combine those skills with strong project management skills and who are effective communicators.

"Someone more versatile is going to have a better time with things," Mr. Silver said.

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