

2010 HOUSTON

IT SALARY SURVEY



JDA PROFESSIONAL SERVICES, INC.

Information Technology Staffing Specialists Since 1981

OVERVIEW

Houston-area IT salaries are expected to increase slightly in 2010 as Houston's economy recovers.

As the Houston economy begins to recover and hiring picks up, IT salaries are expected to increase upwards of 4 percent in 2010. While 4 percent growth represents the high end of the range for top performers in 2010, IT salary growth is likely to trend towards the low range of estimates - approximately 2 to 4 percent¹. The forecasted 2 to 4 percent salary growth range contrasts with traditional 4 to 6 percent increases. Given the current state of the economy many companies are budgeting 0 percent increases with one-off increase exceptions for top performers. As the economy continues to improve, we are projecting more one-off exceptions in order to retain key employees.

While most Houston companies utilized cash bonus programs averaging 5 to 10 percent of base salaries, we anticipate that bonuses will be lower or even eliminated in 2010 due to the squeeze on corporate profits [ibid].

The Houston-area IT labor market remains strong compared to the rest of the country for highly-qualified people that possess specialized skills. These specialized professionals will require appropriate, and perhaps aggressive, compensation to be attracted to and retained by an employer. Many of our clients with limited open positions are using this time to top-grade existing staff. Consequently, passive candidates with high-demand skills in secure positions will need greater incentives to change jobs. To attract these candidates, we recommend that you add 5 to 15 percent to the salaries shown in this survey in order to extend a competitive offer.

Good people are still hard to find and retain.

Employee Dissatisfaction

With all the cuts in staff, reduction in benefits, and increasing work load, many employees are feeling stressed and unappreciated in their current situations and are open to a change where the perception of greener pastures exists. It only follows that the utilization of an employee retention strategy becomes even more critical to protecting your resources.

For those companies that have had cuts in compensation, it will take years under normal increases to get back to par. For those employed under such circumstances, it makes sense to make a move and recover the lost compensation in one move. We are seeing an increase in employed candidates from such companies.

Turnover Concerns

Several CIO's have expressed to us their assumptions regarding management's position concerning increases. These CIO's believe that management views the market as being slow enough that there are not enough options available to even result in turnover at this time, thereby enabling them to assume that valued staff would not be leaving for lack of options. While this may be true for the general population, for IT professionals, the unemployment rate is still 2-3 percent lower than that of the general population. Additionally, there are clearly options for "A" players who are aggressively being recruited.

Impacts on Hiring

How will this impact hiring? First, consider that there are two groups of people in the market today: (1) the unemployed; namely those who are anxious to get back to work and are more apt to take lesser positions at reduced salaries, and (2) those who are employed and have to be recruited and enticed to make a move. As the employment market begins to improve and more companies are beginning to replace open positions and create new ones, there are several schools of thought on the best way to bring people on:

Option 1: Do you hire candidates who are well- and/or over-qualified for positions and use them as a skills upgrade, offering them less than what they were making as a market adjustment? While they may seem sincerely happy to accept such positions and get back to work, is this really a long-term solution for them? Since most people have not adjusted their standard of living, it could be a short-term fix for both parties just as easily as it could be a great opportunity for both.

Option 2: Do you follow traditional hiring protocol, hire someone who is working or unemployed and will grow into the position, and offer them 5-15 percent beyond what they're making in order to attract and keep them?

Keep in mind that there are some very good people caught up in either corporate restructuring or a bad market, experienced staff who have a lot to offer on a long-term basis. Realize, however, that several of our clients are continuing to request that we find them talented staff who are currently working, basing their theory on the premise that most companies kept their best people.

As more companies take advantage of the opportunity to top-grade their staff, the competition for top performers increases, and these top candidates have more choices.

The 2010 Houston IT Salary Survey is an effective tool to use in guiding your salaries throughout the year. Please note that the salaries represented in this survey are based on current salaries from the last quarter of 2009. These salaries are equivalent to what your employees should have been making during this time frame.

If you would like more information about this survey, or would like to discuss your current hiring objectives, please contact James Del Monte, President of JDA, at 713-548-5444.

*We wish you and your company continued success,
and we look forward to serving your IT staffing needs in 2010.*

Sources

1. "2010 IT Executive Survey", JDA Professional Services, Inc., 4th quarter 2009.

JDA Professional Services, Inc. conducted an annual survey of Houston-area IT executives in the 4th quarter of 2009. The survey responses were provided by more than 90 Houston-area IT executives from companies whose IT departments range in size from 10 to over 100 employees.

MANAGEMENT

Over the past couple of years, globalization has been changing the roles and responsibilities of IT leaders from a highly technical function to one which focuses on aligning the business strategies and technical solutions. These leaders are taking on more business responsibilities and are playing more significant roles in the overall success of their businesses by leading enterprise-wide projects with multi-generational and multi-cultural teams. Because of this we have seen small increases in base salaries for IT leadership positions across the board. More importantly, a good portion of their compensation is in the way of performance-based bonuses and incentives ranging from 0-50 percent.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
CIO ^{1 5 6 7}	\$ 175 K	\$ 210 K	\$ 310 K	\$ 114	\$ 136	\$ 200
CTO ^{1 5 6 7}	\$ 125 K	\$ 168 K	\$ 200 K	\$ 82	\$ 109	\$ 130
IT Director - Large Company ^{1 5 6}	\$ 145 K	\$ 165 K	\$ 245 K	\$ 95	\$ 108	\$ 159
IT Director - Mid-Size Company ^{2 5 6}	\$ 115 K	\$ 140 K	\$ 175 K	\$ 76	\$ 92	\$ 114
IT Director - Small Company ^{3 6}	\$ 80 K	\$ 110 K	\$ 135 K	\$ 53	\$ 72	\$ 88
CISO - Chief Information Security Officer ^{1 7}	\$ 125 K	\$ 153 K	\$ 178 K	\$ 82	\$ 100	\$ 116
Security Manager	\$ 78 K	\$ 98 K	\$ 128 K	\$ 52	\$ 65	\$ 84
Audit Director	\$ 106 K	\$ 126 K	\$ 165 K	\$ 70	\$ 83	\$ 108
IT Audit Manager	\$ 98 K	\$ 120 K	\$ 145 K	\$ 65	\$ 79	\$ 95
Business Applications Manager - Large Company ¹	\$ 120 K	\$ 148 K	\$ 190 K	\$ 79	\$ 97	\$ 123
Business Applications Manager - Mid-size Company ²	\$ 105 K	\$ 120 K	\$ 138 K	\$ 69	\$ 79	\$ 90
Data Center Manager ¹	\$ 75 K	\$ 91 K	\$ 125 K	\$ 50	\$ 60	\$ 82
Infrastructure Manager - Large Company ¹	\$ 105 K	\$ 120 K	\$ 140 K	\$ 69	\$ 79	\$ 92
Infrastructure Manager - Mid-size Company ²	\$ 89 K	\$ 110 K	\$ 125 K	\$ 59	\$ 72	\$ 82
Service Desk Manager - ITIL ⁷	\$ 95 K	\$ 115 K	\$ 130 K	\$ 63	\$ 76	\$ 85
Help Desk Manager	\$ 70 K	\$ 88 K	\$ 110 K	\$ 47	\$ 58	\$ 72
PMO Manager - with PMP	\$ 100 K	\$ 126 K	\$ 150 K	\$ 66	\$ 83	\$ 98
Project Manager - with PMP	\$ 80 K	\$ 110 K	\$ 135 K	\$ 53	\$ 72	\$ 88

SECURITY AND AUDIT

During the past four years, companies have focused most of their efforts on compliance and doing more with less. As a result, hiring and salaries in both security and audit have remained flat. In the security arena, homeland security is driving new requirements within the process manufacturing business along with new issues dealing with cyber attacks and cloud computing. As a result, demand for certified professionals is increasing, and compensation is expected to increase in 2010.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Security Architect	\$ 75 K	\$ 99 K	\$ 125 K	\$ 50	\$ 65	\$ 82
Security Administrator	\$ 47 K	\$ 76 K	\$ 95 K	\$ 32	\$ 51	\$ 63
Internal Auditor	\$ 55 K	\$ 73 K	\$ 103 K	\$ 37	\$ 49	\$ 68
IT/IS Auditor	\$ 68 K	\$ 79 K	\$ 110 K	\$ 46	\$ 53	\$ 72

DATABASE / DATA WAREHOUSING

With an increase in the importance of data resulting from SOX, competitive business requirements, and other higher standards, there is a significant increase in demand and salaries for senior- and mid-level data warehousing specialists, especially those with specific skills such as data modeling and analytics management reporting. On the flip side, there is a decrease in the demand for DBA professionals as the outsourcing of these services becomes increasingly popular. Oddly enough, as demand for these professionals falls, salaries continue to rise slightly in particular areas.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Senior Data Warehousing Specialist	\$ 90 K	\$ 105 K	\$ 125 K	\$ 60	\$ 69	\$ 82
Data Warehousing Specialist	\$ 68 K	\$ 86 K	\$ 108 K	\$ 46	\$ 57	\$ 71
ETL Developer	\$ 85 K	\$ 93 K	\$ 120 K	\$ 56	\$ 62	\$ 79
Senior DBA	\$ 85 K	\$ 93 K	\$ 125 K	\$ 56	\$ 62	\$ 82
Junior DBA	\$ 68 K	\$ 75 K	\$ 89 K	\$ 46	\$ 50	\$ 59
Oracle Developer - PL/SQL Database-Focused	\$ 83 K	\$ 95 K	\$ 115 K	\$ 55	\$ 63	\$ 76
Data Analyst ⁷	\$ 65 K	\$ 86 K	\$ 95 K	\$ 44	\$ 57	\$ 63
Report Writer	\$ 51 K	\$ 64 K	\$ 78 K	\$ 35	\$ 43	\$ 52

ERP

The ERP market has been full of activity as companies begin to implement upgrades and enhance functionality. We are seeing a rise in demand for Oracle SME's as well as functional analysts, resulting in salary increases. Meanwhile, demand for Oracle developers is falling as many companies begin to outsource these services to 3rd party vendors or off-shore them to countries like India, causing salaries in that sector to stall. On the SAP side, with much of the software being 10+ years old, companies are being forced to either purchase new software releases or go without support. As a result we are seeing an increase in demand, especially for doer-level SAP professionals such as functional configuration analysts, and we expect that to continue over the next few years. As demand continues to rise, SAP professionals are becoming increasingly more difficult to find, and as a result, these highly-skilled professionals who are available are demanding higher salaries and hourly rates.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Oracle Developer - PL/SQL, Forms, Reports, Discoverer	\$ 70 K	\$ 84 K	\$ 115 K	\$ 47	\$ 56	\$ 76
Oracle Functional Analyst	\$ 80 K	\$ 92 K	\$ 120 K	\$ 53	\$ 61	\$ 79
PeopleSoft Developer - PeopleTools	\$ 65 K	\$ 86 K	\$ 97 K	\$ 44	\$ 57	\$ 64
PeopleSoft Functional Analyst	\$ 85 K	\$ 96 K	\$ 120 K	\$ 56	\$ 63	\$ 79
SAP - Developer ABAP	\$ 85 K	\$ 102 K	\$ 120 K	\$ 56	\$ 67	\$ 79
SAP Functional Analyst - Configuration	\$ 80 K	\$ 94 K	\$ 120 K	\$ 53	\$ 62	\$ 79
ERP Administrator	\$ 65 K	\$ 86 K	\$ 97 K	\$ 44	\$ 57	\$ 64

WEB DEVELOPMENT

As the web continues to revolutionize the way companies do business, the needs and demands in this area have been flat as more companies opt for web templates and content development as opposed to custom-built sites. On the other hand, as many companies look for ways that their websites can help increase profits and usability such as e-marketplace virtualization, demand for web professionals who have a strong understanding of business processes and search engine optimization has increased significantly. In some cases these professionals are developers and/or designers, and in other cases they are simply interactive marketing experts. Since there are still very few that meet these qualifications, salaries for those that do are rising.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Web Developer - PHP, ASP, Flash, HTML	\$ 48 K	\$ 57 K	\$ 68 K	\$ 33	\$ 39	\$ 46
Graphics/Web Designer - Adobe Photoshop	\$ 38 K	\$ 44 K	\$ 65 K	\$ 26	\$ 30	\$ 44
Interactive Marketing/Search Engine Optimization ⁷	\$ 55 K	\$ 76 K	\$ 97 K	\$ 37	\$ 51	\$ 64

APPLICATIONS

Pent-up demand for increased functionality is going to be driving this area in 2010. Over the last year many projects have been deferred and hiring put on hold. As a result we are anticipating an increase in hiring to drive an increase in salaries. Portal development for virtualization has become a leading cause that is driving the most change. In addition, there is a significant increase in the number of implementations and upgrades of ERP systems which has led to a need for upgrades of the applications associated with the ERP systems and integrations of other legacy systems. We are seeing a substantial increase in demand for architects and professionals possessing a knowledge of finance, energy, and trading applications. Because there is a local shortage of these professionals, salaries in those areas are increasing.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Applications Project Manager/ Team Lead ^{1 2}	\$ 80 K	\$ 102 K	\$ 125 K	\$ 53	\$ 67	\$ 82
Enterprise/Applications Architect	\$ 87 K	\$ 110 K	\$ 135 K	\$ 58	\$ 72	\$ 88
Senior Developer/Team Lead ⁴	\$ 84 K	\$ 105 K	\$ 125 K	\$ 56	\$ 69	\$ 82
Business Analyst - Applications ⁴	\$ 68 K	\$ 85 K	\$ 105 K	\$ 46	\$ 56	\$ 69
Developer - SharePoint	\$ 80 K	\$ 99 K	\$ 125 K	\$ 53	\$ 65	\$ 82
Developer - .NET	\$ 66 K	\$ 86 K	\$ 115 K	\$ 44	\$ 57	\$ 76
Developer - JAVA	\$ 64 K	\$ 86 K	\$ 115 K	\$ 43	\$ 57	\$ 76
Developer - C++	\$ 71 K	\$ 95 K	\$ 110 K	\$ 48	\$ 63	\$ 72
Developer - Client Server	\$ 52 K	\$ 74 K	\$ 86 K	\$ 35	\$ 49	\$ 57
Junior Developer	\$ 48 K	\$ 66 K	\$ 74 K	\$ 33	\$ 44	\$ 49
Quality Assurance - Applications Testing	\$ 49 K	\$ 63 K	\$ 90 K	\$ 33	\$ 42	\$ 60
Quality Assurance - Team Lead	\$ 86 K	\$ 96 K	\$ 115 K	\$ 57	\$ 63	\$ 76
Entry-Level Applications - 4-Year Degree	\$ 38 K	\$ 48 K	\$ 72 K	\$ 26	\$ 33	\$ 48
Entry-Level Applications - 2-Year Degree	\$ 30 K	\$ 33 K	\$ 40 K	\$ 21	\$ 23	\$ 28

MISCELLANEOUS

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Technical Writer	\$ 45 K	\$ 54 K	\$ 75 K	\$ 31	\$ 37	\$ 50
Training	\$ 55 K	\$ 68 K	\$ 90 K	\$ 37	\$ 46	\$ 60

INFRASTRUCTURE

Virtualization, cloud computing, and deferred upgrades, both hardware and software, is driving this area. We are seeing the demand increase as companies are rebuilding their infrastructures and getting ready for the next growth cycle. As a result we are seeing more demand for people and an increase in compensation.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Infrastructure Project Manager	\$ 86 K	\$ 92 K	\$ 115 K	\$ 57	\$ 61	\$ 76
Communications Architect - CCIE ^{1 2}	\$ 87 K	\$ 110 K	\$ 130 K	\$ 58	\$ 72	\$ 85
Network Engineer	\$ 73 K	\$ 91 K	\$ 115 K	\$ 49	\$ 60	\$ 76
Communications Analyst (Voice) - Configuration Analyst	\$ 63 K	\$ 75 K	\$ 95 K	\$ 42	\$ 50	\$ 63
UNIX/Linux Administrator	\$ 47 K	\$ 75 K	\$ 94 K	\$ 32	\$ 50	\$ 62
UNIX/Linux System Engineer	\$ 63 K	\$ 86 K	\$ 111 K	\$ 42	\$ 57	\$ 73
2nd Level LAN Administrator	\$ 57 K	\$ 71 K	\$ 95 K	\$ 39	\$ 48	\$ 63
1st Level LAN Administrator	\$ 45 K	\$ 58 K	\$ 73 K	\$ 31	\$ 39	\$ 49
Entry-Level Infrastructure - 4-Year Degree	\$ 36 K	\$ 46 K	\$ 65 K	\$ 25	\$ 31	\$ 44
Entry-Level Infrastructure - 2-Year Degree	\$ 24 K	\$ 32 K	\$ 39 K	\$ 18	\$ 23	\$ 27

SERVICE DESK / HELP DESK / DESKTOP

The entire framework of the help desk has shifted over the past few years as companies that moved off-shore some years ago are now moving back on-shore to reduce cost and improve customer service. While these roles have been redefined, the once-strong push towards the use of structured methodologies such as ITIL for process improvements is now leveling off. As a result, the demand and salaries for professionals at all levels in this sector have flattened.

	SALARY			HOURLY PAY RATE		
	LOW	AVG	HIGH	LOW	AVG	HIGH
Help Desk - Level III Service Desk	\$ 65 K	\$ 78 K	\$ 95 K	\$ 44	\$ 52	\$ 63
Help Desk - Level II Service Desk	\$ 55 K	\$ 68 K	\$ 73 K	\$ 37	\$ 46	\$ 49
Help Desk - Level I Support	\$ 33 K	\$ 44 K	\$ 52 K	\$ 23	\$ 30	\$ 35
Software Support	\$ 40 K	\$ 53 K	\$ 68 K	\$ 28	\$ 36	\$ 46
Hardware Technician	\$ 30 K	\$ 41 K	\$ 55 K	\$ 21	\$ 28	\$ 37

ASSUMPTIONS

Default:

- Rates apply to greater Houston metropolitan area.
- Candidate has 4-year degree unless otherwise noted.
- Contract term of greater than 6 months.

Specific:

1. Large company is defined as greater than 50 IT employees with \$1 billion in revenue.
2. Mid-size company is defined as 10 to 49 IT employees with revenue over \$250 million and less than \$1 billion.
3. Small company is defined as fewer than 10 IT employees with less than \$250 million in revenue.
4. Indicates hot skill - add 10 to 15 percent to salary (ie: Java, .Net, SharePoint, engineering).
5. Excludes bonuses.
6. Top IT person.
7. Limited pool of candidates.
8. Team member.



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JDA is Reliable: You will have continual, timely access to all JDA staff members.

JDA is Effective: You will be presented with the right professional matches in the least amount of time using our "industry-best" processes and procedures.

JDA is Knowledgeable: You will be provided with the information necessary to make smart staffing and career decisions in this ever-evolving IT employment market.

JDA is Friendly: You will like working with us because we enjoy what we do, and it is reflected in the level of service provided to you.

JDA Professional Services, Inc. is a Houston-based IT staffing firm specializing in the recruitment of strategic-technical to executive-level professionals. We provide staffing solutions through full-time, contract, and project-based placements. Since 1981, we have been helping companies build great IT departments while helping IT professionals find the right career opportunities.

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