

IT spending to increase in 2012

InformationWeek's annual Outlook 2012 Survey displayed a very bullish outlook on 2012. The report, which queries 605 business technology professionals on their plans for IT spending and hiring in 2012, found that 25 percent of companies are planning to expand IT staff and only nine percent will be cutting back. That's in stark comparison to two years ago when only 14 percent said they were expanding and 18 percent said they were cutting back.

Fifty-six percent of participants say they will be spending more on IT than in 2011, 28 percent said their spending plans are flat, and only 16 percent expect to shrink their IT budgets. Most encouraging is that 18 percent plan to raise their IT spend by more than ten percent, which is up from last year's response of 15 percent.

However, *InformationWeek* presents several reasons why growing project demand will not necessarily lead to more hiring. Despite only three percent reporting that the demand for new IT projects is dipping, almost one-third (30 percent) report there is a hiring freeze and "won't be allowed to fill openings" in 2012. "CIOs continue to rely heavily on outsourcing as the variable component to their workforces, absorbing the peaks of IT demand as well as fulfilling specialized skills." The editors go on to report that, there's strong demand for mobile app development, but much of that work is outsourced and cloud computing allows companies to add IT capabilities without the same staff."

In comparison, CIO Insight also released a study with some interesting observations. CIO Insight's 2012 IT Investment Patterns Study used a random sample from parent company Ziff-Davis Enterprises. The 329 respondents in organizations with 50 or more employees were familiar with their company's budget and spending levels. They report three broad trends for 2012:

- Areas that organizations may have given short shrift to in the past due to the economy are now being funded in 2012. Increased investments in security are an example of what the editors call "Reversion."
- Increased popularity for organizations in mobility and cloud-related spending, or what CIO Insight is referring to as "Innovation". Most (91 percent) of organizations plan to spend 14.6 percent more on mobile devices, which is the third largest spending category, surpassed only by servers and desktops / notebooks.
- Spending continues in existing areas such as infrastructure and software. CIO Insight calls this trend "Integration" to ensure established areas don't "get lost to the newcomers" (e.g. mobile and cloud).

Is "big data" the next big thing?

Is business "ready for the era of 'big data'?" That's the question *McKinsey Quarterly*, the business journal of consultancy McKinsey & Company, poised in its most recent issue.

As *McKinsey* details, "data characterized the information age from the start. It underpins processes that manage employees; it helps to track purchases and sales; and it offers clues about how customers will behave." In recent years, the volume of data has increased exponentially. In most sectors of the economy (15 out of 17), companies with a 1,000 or more employees store more than 235 terabytes of data, which is more than is contained in the U.S. Library of Congress.

Confessing that it is still early in the development cycle of big data, McKinsey argues it potentially becomes a "new type of corporate asset" and warns that "companies need to start thinking in earnest about whether they are organized to exploit big data's potential and to manage the threats it can pose."

Top skills for 2012

As 2011 draws to a close and 2012 picks up speed, the big debate is what skills will be the most sought after in the coming year. According to IT and business skills training company Global Knowledge, the top skill to enhance an IT career is data analytics. Global Knowledge explains that there will be a need for a "new approach to understanding data sets" and that "data mining and modeling will be key [for IT career opportunities]" in 2012. Second on the company's list are skills that address the consumerization of IT as IT pros will be called upon to identify "mobile opportunities, device management, security, community-driven architecture, and application development."

Computerworld also shares its picks for top skills of 2012. The top skill on *Computerworld's* hot IT skills in 2012 list was programming and application development, citing that 61 percent from their annual forecast survey said they planned to hire for this skill in 2012 (up from 44 percent in the previous survey). The next most anticipated in-demand skill is project management ostensibly to translate the client's or the organization's needs for the technologists to build and implement.