

CIO

SALARIES & CAREERS

HOW DOES YOUR IT SALARY STACK UP?

HIGH-EARNING IT EXECs ARE TOPS ON PAY, NOT ON HAPPINESS

IT EXECUTIVE COMPENSATION UP, BUSINESS INPUT A FACTOR

FOR IT EXECUTIVES, JOB SATISFACTION ISN'T ABOUT SETTLING

SECURITY AND CLOUD TIED AS TOP PRIORITIES FOR 2015

SPECIAL REPORT

2014 IT Salary & Careers Survey

Nearly 1,200 IT professionals weighed in on their IT budgets and headcounts, the mood in their organizations, and the technology priorities that will guide enterprise efforts in 2015.



How Does Your IT Salary Stack Up?

Find out which tech positions make the most, which IT pros plan to jump ship and where 2015 IT salary expectations and project focus areas stand.

BY CHRISTINA TORODE

HOME

CIOs, CISOs AND directors of business apps brought home the biggest IT paychecks in 2014, but those aren't the positions that saw the biggest compensation bumps over 2013.

Leading the pack were network managers, database administrators and security managers, whose average total compensation increased 22%, 22% and 17% year over year, respectively. That trumped the 8% increase in average total compensation (base salary plus bonuses) for senior IT executives—including CIOs, CTOs, executive vice presidents and directors of IT—and the 8.7% increase in total pay for CISOs. Business application directors raked in a respectable \$148,097 in average total compensation in 2014, but that represented a 10% drop from 2013.

Other IT professionals whose paychecks took a hit include chief compliance/privacy officers

(21% decrease year over year) and data center managers (9% decrease).

Still, 59% of the 1,200 IT professionals who took TechTarget's 2014 IT Salary and Careers Survey had increased total compensation in 2014, 49% received a raise and 36% received a bonus. Nearly half expect a raise, and 20% a bonus, in 2015.

Data analysts and security managers are the most confident about receiving a raise in the year ahead, while directors of business applications and project managers are the least confident.

The average information technology salary across all respondents was \$109,255, and total compensation was \$126,548. This compares with \$105,000 in average salary and \$116,770 in total compensation for the group of 1,700 respondents who took the survey in 2013. (See chart, next page, for average salaries and total compensation by title for all 2014 respondents.)

Senior IT executives garnered the highest

salaries, earning an average of \$177,229 in total compensation, while base salary was \$143,942, a bump from the \$164,090 in average total compensation and \$138,269 in average base salary in 2013. The lowest earners, system admins, earned \$78,837 and \$76,994 in average total compensation and salary, respectively, up slightly from \$77,269 and \$73,069 in 2013.

While average salaries are higher across the group of 2014 respondents, a lower percentage of IT professionals reported receiving a raise: 49% in 2014, versus 55% in 2013.

Data analysts and security managers are the most confident about receiving a raise in the year ahead, while directors of business applications and project managers are the least confident.

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

Salary and Compensation by Title

	AVERAGE BASE SALARY	AVERAGE TOTAL COMPENSATION
Senior IT executive	143,942	177,229
IT manager	99,662	117,854
IT staff	76,994	82,376
Systems administrator	76,640	78,837
Programmer/developer	93,880	99,165
Network manager/ administrator	82,950	87,429
Security manager	95,812	101,665
Project manager	105,953	112,365
Database administrator	107,332	115,630
Data analyst	80,600	81,849
CISO	139,948	160,738
Director of business applications	127,163	148,097
Compliance/ privacy officer	93,851	97,917
Data center manager	95,236	104,836

SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

WHAT DRIVES PESSIMISM AND OPTIMISM

The majority of respondents (66%) are satisfied in their current position—although they also said they want to move up in their company in the next three to five years, or they're out.

IT professionals least satisfied with their jobs include data center managers, data analysts (who were among the lowest salaried) and network managers/administrators. The most satisfied group includes CISOs (who received among the highest bonuses in 2014), compliance/privacy officers and systems administrators.

Respondents overall were less optimistic than those who took the survey last year, with 21% saying the mood is optimistic in their organizations in 2014 versus 29% in 2013. Limited career advancement and ineffective management were the primary reasons cited by the 248 respondents who characterized the mood in their company as pessimistic. Among the 283 respondents who said the mood is optimistic, *business picking up* and *innovation being encouraged* were the top reasons for the upbeat outlook.

HOME

HOW DOES
YOUR IT SALARY
STACK UP?

HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESS

IT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTOR

FOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLING

SECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

Overall, 41% of the IT professionals said they believe the mood in their companies will be more optimistic in 2015 than this year.

TECH FOCUS AREAS AND IT HEADCOUNTS

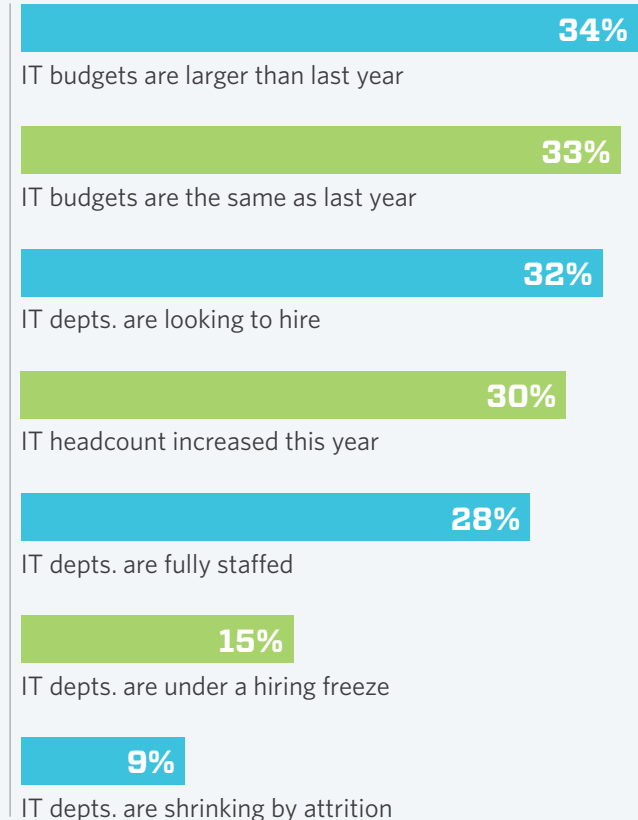
The survey takers are spending the majority of their time on IT management, security and application development and design—the same as last year's group of respondents.

As for how they believe their companies measure IT project success, ensuring reliability of services ranked No. 1, followed by helping achieve business goals, completing projects on time and improving product or service delivery.

As with salaries, IT budgets and headcount are up slightly year over year. In 2014, 34% said their IT budget is larger than 2013, while 30% of the 2013 respondents reported an IT budget increase over 2012.

In 2014, 30% of respondents saw an increase in IT headcount over last year, and 43% reported a headcount of the same size as 2013. As for

The State of IT Budgets in 2014



SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

hiring, 33% said their companies are currently looking to hire, 28% are fully staffed, 15% are under a hiring freeze and 9% are shrinking by attrition. (The remaining 15% were not sure if headcount was growing or shrinking.)

As for whether the respondents will add to or decrease their current employers' headcount, 45% said they are "open to new opportunities

but not actively seeking" new jobs, while 21% are "satisfied" in their current position. In the next three to five years, 22% want to move up in their organization, 20% want to move to a larger company, 18% want to move higher up within IT, 18% plan to stay in their current role, 16% are not sure of their next move and 6% plan to leave IT altogether. ■

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015



High-Earning IT Execs Are Tops on Pay, Not on Happiness

*What separates the high earners from the low earners
among senior IT executives?
The ability to negotiate a bonus helps.*

BY LINDA TUCCI

HOME

SENIOR IT EXECUTIVES as a group made out well in 2014, with nearly two-thirds getting an 8% boost in compensation over 2013. And then there were the high earners—the CIOs, CTOs, IT directors and executive vice presidents who earned between a median \$150,000 and a maximum \$2.6 million in total compensation.

On base salary, raises and bonuses, this elite group hauled in significantly more than their less well-compensated peers, defined here as IT executives who made less than a median \$150,000 in total compensation in 2014. High earners got a 7.1% raise on average in 2014, compared with the average 4.3% raise awarded to low earners. More than half of high earners (58%) got raises, compared to 49% of low earners. Two-thirds of high earners also negotiated bonuses for this year, compared to just 27%

of low earners. The icing on the compensation cake? The median bonus for high earners was more than three times bigger than the low earner's median bonus.

Money, however, doesn't buy happiness apparently. Despite the disparity in pay, job satisfaction for both groups was virtually identical, with 66% of high earners and 65% of low earners reporting that they either are satisfied with their current jobs and staying put, or "open to new opportunities" but "not actively seeking a new job."

That's according to the latest TechTarget IT Salary and Careers Survey of 333 senior IT executives across North America, a diverse group representing 18 industries and companies of various sizes. Of the total respondents, 60% work for companies with fewer than 1,000 employees and 40% work at companies with 1,000 to 10,000 or more employees.

Here is the spread in dollars: Median total compensation was \$202,000 for high earners versus \$120,000 for low earners; median salary

was \$168,000 versus \$112,250; the median bonus was \$35,000 versus \$10,000. (The highest bonus was \$260,000.)

Average total compensation for IT executive high earners was \$244,351, compared to only \$113,217 for low earners. Average base salary was \$185,175 for high earners, or 75% more than the \$105,150 received by low earners.

THE ALMIGHTY BONUS

William Floyd, who became CIO at Gold's Gym International Inc. in May, can attest to the difference a bonus makes. Part of the reason Floyd left his previous job at an online trader was because the bonus was tied to company profitability.

"It was basically a profit-sharing plan," he said. While his salary was "above average" for IT executives, he received very little bonus compensation. In his new job, his bonus pay is 25% of base salary—"a more traditional" metric, he said. Bonus pay is predicated on the company

HOME

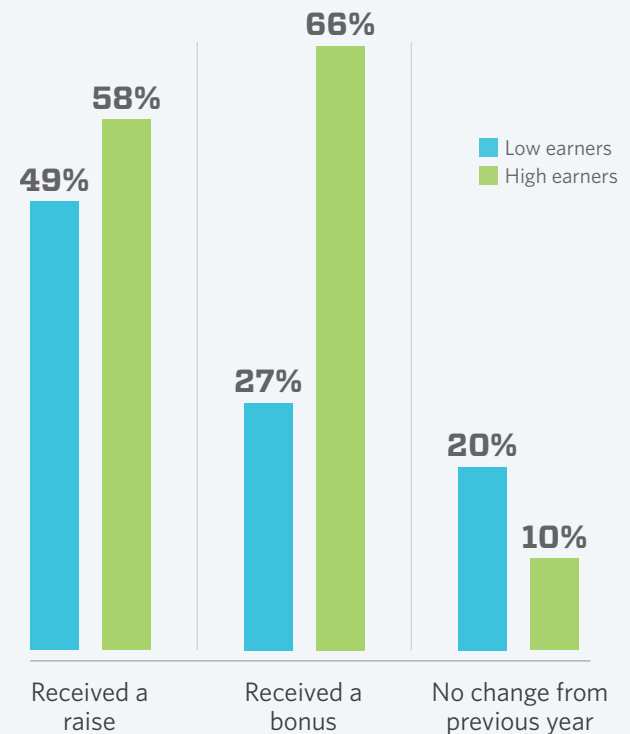
HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

meeting EBITDA targets, he said. His bonus will depend on meeting his annual goals. They include “some pretty aggressive targets,” he said, including—on the IT side—a massive refresh of old PCs and a revamping of Gold’s nationwide MPLS and the wireless networks. He said the infrastructure upgrades will shore up security at Gold’s, which has 450 gyms in North America and another 280 internationally. Business projects include a rollout of an enterprise collaboration platform and a highly strategic project using mobile technologies to enhance customer experience at the gyms.

The head of IT at a diversified global technology company and former CTO at a major fast food chain, who asked to remain anonymous, told SearchCIO that his bonus compensation has always been tied to specific IT and business objectives. Over the course of his career, this variable pay has grown as a percentage of his base salary.

“When I was at [the fast food chain], I had variable compensation of 30%; now it’s 100%,”

High vs. Low Earners



SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

HOME

HOW DOES YOUR IT SALARY STACK UP?

HIGH-EARNING IT EXECS ARE TOPS ON PAY, NOT ON HAPPINESS

IT EXECUTIVE COMPENSATION UP, BUSINESS INPUT A FACTOR

FOR IT EXECUTIVES, JOB SATISFACTION ISN'T ABOUT SETTling

SECURITY AND CLOUD TIED AS TOP PRIORITIES FOR 2015

he said, meaning his bonus matches his salary, provided he meets his goals. He said he is “religious” about meeting goals, in particular business targets. “CIOs are incented to make more by achieving business outcomes, so it is up to me how much of a bonus I make by achieving these goals.”

COMPANY SIZE AND EXPERIENCE MATTER

Willpower is no doubt important to making a lot of money in IT, but it also helps to work for a big company. The old adage, *the bigger the company, the bigger your job and the bigger your pay*, held true for this year’s high and low earners.

More than half of all high earners (52%) work for companies with 1,000 to 10,000 or more employees, compared to just 27% of low earners. The majority of low earners work at companies with between 100 and 499 employees (30%) or fewer than 100 employees (31%). Three-quarters of the companies where high

earners work, have annual revenue of more than \$100 million, including 10% with \$10 billion or more in revenue. Most of the companies (64%) where low earners are employed have revenue of \$50 million or less.

Also, it almost goes without saying that experience counts when it comes to compensation: 23% of high earners have more than 30 years of IT experience, compared to 12% of low earners.

Industry was not a huge differentiator in the earning power of IT executives, with two notable exceptions: Significantly more high earners (17%) than low earners (5%) work in medical/health care/pharmaceutical/biotech; and more high earners (10%) versus low earners (2%) are employed by legal/insurance and real estate companies.

Stephen Clark, CIO and chief privacy officer at the Sentara Albemarle Medical Center based in Elizabeth City, N.C., wagered that the preponderance of high earners in the healthcare category come from pharma, or, if they are in

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

healthcare, work for the large providers that are acquiring smaller medical centers like Albe-marle, which was bought by Sentara Healthcare in March.

“At smaller hospitals, which account for 75%

of the hospitals in North Carolina, compensa-tion is on the low side, and [IT executives] do not have high bonuses. Profit margins are low for these hospitals,” Clark said. Meanwhile, the CIO job even at smaller hospitals is huge, as the

HOME

HOW DOES
YOUR IT SALARY
STACK UP?

HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESS

IT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTOR

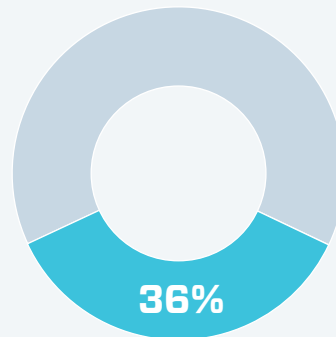
FOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLING

SECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

Bonuses

Top five bonus earners among
IT professionals

- 67%**
Director of
business apps
- 55%**
Data center manager
- 46%**
Senior IT execs
- 41%**
CSO/CISO
- 39%**
IT manager



received a bonus in 2014

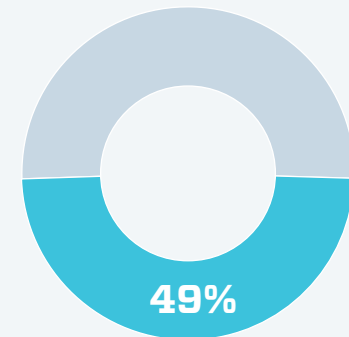
Average bonus: \$21,881
20% expect a bonus
in 2015

SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

Raises

IT professionals most confident
about receiving a raise

- 68%**
Data analyst
- 66%**
Security manager
- 63%**
Network manager/
admin
- 61%**
System admin
- 48%**
IT manager,
database admin



received a raise in 2014

Average raise: 5%
47% anticipate a raise
in 2015

SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

medical field scrambles to implement electronic health records and meet state and federal compliance regulations. “It’s almost insane the pace we are going at and what we’re expected to do,” he said.

LEGACY METRICS FOR IT PAY ‘STARTING TO SHATTER’

Going forward, company size could be less of a factor in IT pay, according to Shawn Banerji, managing director of executive recruiting firm Russell Reynolds Associates. “We’re starting to see companies rethinking metrics for CIO compensation, away from the traditional metrics of scope and scale,” he said. As technology contributes more and more to business outcomes, IT compensation is shifting to account for IT projects that drive revenue and earnings, resulting in some interesting tweaks to traditional compensation formulas, Banerji said.

“You can be the CIO of a \$5 billion company and your earnings could be greater than a CIO

at a \$50 billion company, because of the complexity of your role,” he said. IT compensation models within large companies are also starting to change. The divisional CIO at a global retailer who owns an e-commerce platform or some other technology that is making the company “a ton of money” could earn more than the corporate CIO.

“There is recognition that with some of these mega CIO jobs, the task at hand is not about driving business profit, but about administering a large complex ecosystem of technology and operations. And the feeling is, it is easier to find a great administrator of those resources than it is to find someone who can come and use IT to drive real business value,” Banerji said.

IT talent that can do this, with or without a “chief” in their title, can basically write their own ticket. “Companies are saying, ‘We can replace the sales people, we can get new marketing people, but the engine that drives the train—we have to reward that person,’” Banerji said. ■

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015



IT Executive Compensation Up, Business Input a Factor

Break out the champagne—2014 was a good year for IT executive pay. Those on the receiving end say they had it coming.

BY LINDA TUCCI

HOME

COMPENSATION FOR SENIOR IT leaders—CIOs, CTOs, IT directors and executive vice presidents of IT—rose 8% in 2014 over 2013, fueled by an uptick in the number and amount of bonuses handed out this year. That's according to the 2014 TechTarget IT Salary and Careers Survey of 333 senior IT executives across North America.

Nearly two-thirds (64%) of IT executives got pay increases in 2014. The average salary of \$143,942 was 4% higher than the \$138,269 earned in 2013. The average bonus was \$35,427, up 13% from the \$31,471 of the previous year. In addition, more IT executives received bonuses in 2014—46% compared to 43% in 2013. Total executive compensation added up to an average \$177,229, compared with \$164,090 a year ago. (Median total compensation was up 7%, includ-

ing a 4% boost in median salary and a notable 28% increase in the median bonus pay over 2013.) Only 3% of respondents reported pay cuts, a decline from 4% the previous year.

The upward trend in pay doesn't surprise survey respondent William Floyd, CIO at Gold's Gym International Inc. IT executive compensation has ticked up in the past two years after several years of stagnant pay. "I think there is a little bit of makeup going on for the declining salaries and no bonuses until 2013. That's when IT got hot again and companies realized, 'Oh wait, we're going to lose these people if we don't do something,'" Floyd said.

CIOs were due for some payback said Subbu Murthy, consultant CIO at BCCI Construction Company and, since 2005, the CEO of UGovernIT Inc., which makes analytics software for managing IT. During the recession, IT executives not only did more with flat or lower IT budgets but also used technology to offset layoffs and hiring freezes by automating business processes and driving efficiencies. "There's

a lot of IT backlog. Executives feel that the CIO bailed them out in hard times—now it's time to reward them."

IT executives didn't have to scrimp on resources in 2014: The survey showed that 81% of IT budgets were the same or larger than last year, an increase from 76% the previous year; the average budget increase in 2014 was 13.7% (10% median increase). Nearly three-quarters of IT organizations were fully staffed (44%) or made new hires (33%) in 2014.

COMPENSATION TIED TO BUSINESS GOALS AND PRODUCTS

Payback for the hard times is not the only reason for the boost in pay. The increasingly important role IT executives play in achieving business results was apparent in this year's survey. "Helping achieve a business goal or outcome" was listed as a top measure of job success by 56% of senior executive respondents, up from 47% a year ago. That is certainly the

HOME

HOW DOES YOUR IT SALARY STACK UP?

HIGH-EARNING IT EXECS ARE TOPS ON PAY, NOT ON HAPPINESS

IT EXECUTIVE COMPENSATION UP, BUSINESS INPUT A FACTOR

FOR IT EXECUTIVES, JOB SATISFACTION ISN'T ABOUT SETTling

SECURITY AND CLOUD TIED AS TOP PRIORITIES FOR 2015

case for Floyd, who joined Irving, Texas-based Gold's in May after an eight-year stint as CTO at an online Dallas brokerage.

“Of the six objectives I have to meet, three of them are around achieving business goals, developing and supporting new products, and the rest are around security and PCI compliance and creating efficiencies in the organization,” he said. Gold’s chain of fitness centers includes

450 gyms in North America and 280 gyms internationally. He said his business goals include a highly strategic initiative to boost member engagement through mobile technologies. “I can’t really give out any details on that,” Floyd said.

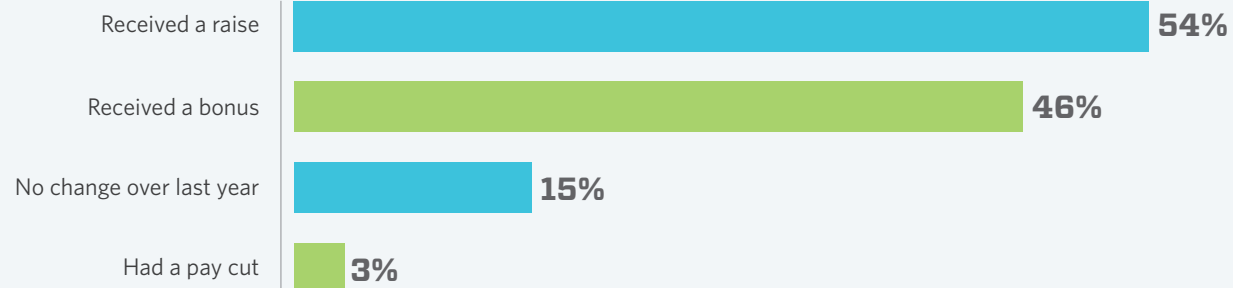
While “ensuring [the] reliability of services” remains a top compensation metric for 64% of IT executives (up from the 54% the previous year), CIOs commenting on the survey findings

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

IT Executive Compensation

Which of the following did you experience in 2014?



SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

stressed that executing on this measure was the price of getting in the door.

“All services delivery and infrastructure—that’s table stakes. I am measured on business outcomes,” said Sasi K. Pillay, who became CIO in February of the University of Wisconsin System, comprising 26 campuses. Before that, he was CTO at NASA.

Smart CIOs are outsourcing commodity services, Pillay said. “We move to Office 365 and get a terabyte per account. No one is going to pay me to stand up that kind of infrastructure. They value me because of the value-add I bring in terms of enrollment and graduation—the success of our students,” he said.

Aside from achieving business goals, the other top compensation metrics were: improving a product to service (39% ranked it in the top three, up from 34% in 2013); completing projects on time (no change from a year ago at 34%); and achieving ROI on projects and tech purchases (20%, up slightly from 18% in 2013). “Meeting productivity goals” dropped dramati-

cally as a top metric, ranked in the top three by only 16% of IT executives compared with 32% in 2013, suggesting the heavy lifting on that score has been done. “Coming in under budget” also declined in importance, ranking as a top compensation metric for just 14% of respondents, compared with 19% the previous year.

IT EXECUTIVE COMPENSATION TRENDS SUBJECT TO CHANGE SOON

The IT executive compensation trends and metrics resonated with CIO recruiter Shawn Banerji, managing director at Russell Reynolds Associates in New York. “Anecdotally, we see that to be the case, as well,” he said. The pay hikes are consistent with broader economic trends, he said, citing the positive performance of the Fortune 500. “Corporate profits by and large have been up, and when that happens, organizations typically recognize and reward their key personnel.”

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

According to Banerji, there is a growing recognition in most organizations of IT's role in business outcomes, as well as business continuity, and that is especially the case at companies where CIOs own some aspect of digital products. So, the No. 1 and No. 2 top compensation metrics of “ensuring reliability of services” and “helping achieve a business goal” make complete sense, he said.

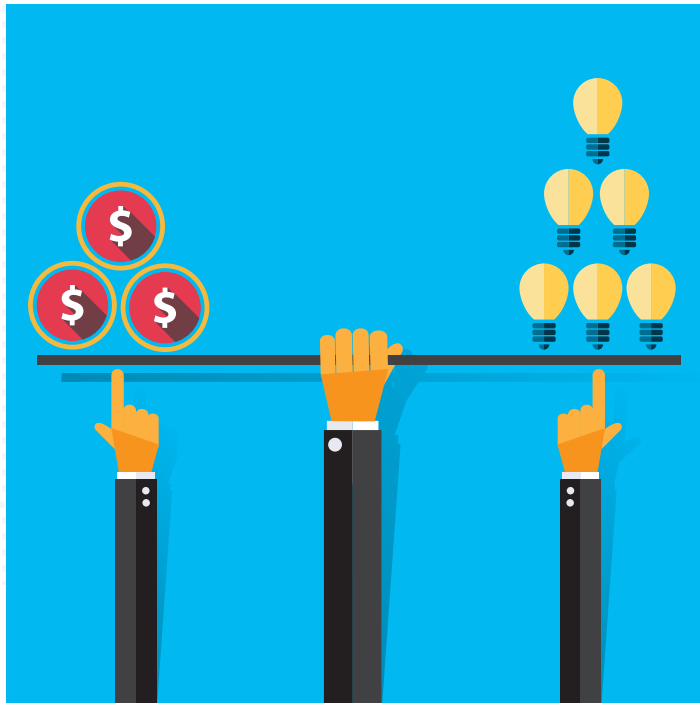
“CIOs know that if the utility that is IT isn't secure, isn't robust, isn't scalable, no one cares about the other stuff. If the email doesn't work, if the reports the business needs to do their jobs aren't generated on time, if supply chain systems don't move goods from point A to B, they don't care. You've got to be a great operator, first and foremost, and you are measured on that,” Banerji said.

That said, a shift in traditional IT executive pay metrics is underway, he said. He predicts that over the next two to three years, most companies will rethink their metrics for CIO compensation.

WHO TOOK THE SURVEY

The IT executives responding to this year's survey represented seasoned professionals in relatively stable positions, for the most part. Of the total respondents, 76% have between 11 and 30 years of IT experience under their belts; 70% have been in their current jobs for between one and 10 years; the 13% who changed jobs this year did so for mostly positive reasons—to take on a new challenge (32%) or to make more money (10%); another 10% said they changed jobs because they weren't pleased “with how their job was evolving;” 16% said they moved because they either had been or would have been laid off.

As in past years, survey results were slightly skewed toward midmarket companies, with 60% of respondents working for companies with fewer than 1,000 employees, and 40% at companies with 1,000 to 10,000 or more employees. Respondents represented 19 industries, with large numbers in finance (17%); medical/healthcare/pharma/biotech (11%); and retail (10%). ■



For IT Executives, Job Satisfaction Isn't About Settling

Innovation and challenging work are driving high IT job satisfaction and minimal active job hunting among IT executives, but those aren't the only reasons some people are staying put.

BY KRISTEN LEE

HOME

SENIOR IT EXECUTIVES appear to be pretty satisfied with their current jobs, with 65% either planning to stay put or open to other options but not actively seeking a job. But for some, this lack of movement has more to do with limited job opportunities in their industry than with a burning desire to stay put.

Bob Daugherty, director of IS/MIS/IT at accounting firm Deming Malone Livesay & Ostroff, said lack of job options has had a huge impact on his employees' and his own decision to hold on to their current positions.

"There are fewer and fewer jobs in CPA firms for technology people than there have ever been," Daugherty said. "A lot of CPA firms are merging."

Of the 333 senior IT executives (CIOs, CTOs, executive vice presidents of IT/MIS and IT

directors) who took TechTarget's IT Salary and Career Survey in 2014, 45% are open to new opportunities but not actively looking for a job, 20% are satisfied with their current job and plan to stay, 17% are actively looking for a new job, 12% are starting to look for a new job, 4% have their eye on an internal job move and the last 2% are unsure of their next move.

IT executive job opportunities are clearly industry-dependent, said Shawn Banerji, managing director at executive search firm Russell Reynolds Associates in New York. While the accounting industry may not offer up as many openings, executive level IT jobs abound in retail, consumer, biotech, life sciences, technology and financial services, he said.

"Most of the CIOs that I'm talking to are saying that their phone is ringing off the hook; they're getting calls about opportunities," Banerji said. These CIOs are especially open to new opportunities with companies that use technology for business transformation, he said.

HOME

HOW DOES YOUR IT SALARY STACK UP?

HIGH-EARNING IT EXECS ARE TOPS ON PAY, NOT ON HAPPINESS

IT EXECUTIVE COMPENSATION UP, BUSINESS INPUT A FACTOR

FOR IT EXECUTIVES, JOB SATISFACTION ISN'T ABOUT SETTling

SECURITY AND CLOUD TIED AS TOP PRIORITIES FOR 2015

Job Satisfaction



66% Are satisfied in their jobs or open to new opportunities but not actively seeking



22% Want to move up in their organization



20% Want to move to larger organization



6% Want to leave IT

Most satisfied with their jobs

- CSOs/CISOs
- Compliance/privacy officers
- Systems admins

Least satisfied with their jobs

- Data analysts
- Data center managers
- Network managers/admins

SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

“I think good technology people are recognizing that in their careers, the impact they can make is likely best at a platform that values technology and is seeking to deploy technology to transform business and drive innovation,” Banerji said. And if their current organization isn’t doing that or isn’t doing it to the extent that that it would like to, then the folks he’s talking to are actively seeking out other options. “And I think this is from the top down.”

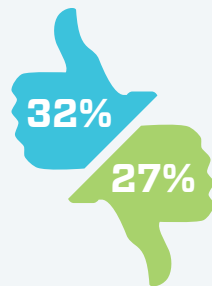
JOB SATISFACTION AND INNOVATION

Indeed, some IT leaders are not standing by waiting for their employees to jump ship. Freddie Martinez, director of IS/MIS/IT at Fountain Tire, a Canadian tire dealer, is working to retain employees through “coaching” and encouraging employees to take on projects that teach them new skills. The idea is to help their IT professionals rise within the company and give them new challenges to keep them from looking elsewhere.

“We provide feedback, we provide coaching, and that coaching is done on a one-on-one basis and it can be done as many times as they want,” Martinez said. “People get engaged based on their expertise and skill sets, and even if they’re not so familiar with [a project], they’re welcome to come in and join part of those meetings and understand where the company’s going, so that way they can continue growing.”

Innovation in the workplace is a key driver that not only motivates CIOs and IT employees to stay, but also creates optimism, said Banerji.

The Mood in IT



Top reasons 32% are optimistic today

- Business picking up
- Innovation encouraged
- Strong management

Top reasons 27% are pessimistic today

- Limited career advancement
- Ineffective management
- IT budget keeps getting cut

SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

HOME

HOW DOES
YOUR IT SALARY
STACK UP?

HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESS

IT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTOR

FOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLING

SECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

When an organization has a “bunker mentality,” on the other hand, that’s when IT employees get bored.

“I think when [IT employees] see an opportunity that gives them a chance to do things differently and change and transform, that’s what gets them excited,” Banerji said. “I think maintaining the status quo for an IT person is like just kind of waiting for insanity to set in. The best people, at least, want change.”

IT leaders feel the same way, according to this year’s survey. Among the senior IT executives who said the mood is optimistic in their organizations, 57% said it is due to innovation being encouraged, 45% cited business picking up and 40% said it was due to strong management.

On the flip side, those senior IT executives

who described the work mood as pessimistic cited limited career advancement (49%), ineffective management (39%) and continuous IT budget cuts (36%) as the main contributors to the gloom.

“We’ve seen a steady decrease in budgets, especially from a state-funding and federal-funding standpoint,” said Troy Neal, director of IS/MIS/IT at YES Prep Public Schools. Though this is not new to people working in education, Neal said he tries to shield his employees from dealing with this aspect of the industry in order to keep morale high.

Budget cuts have not been a problem for Daugherty’s team. With everything going digital in the accounting firm, his IT department’s responsibilities keep growing.

“I think when [IT employees] see an opportunity that gives them a chance to do things differently and change and transform, that’s what gets them excited.” —Shawn Banerji, managing director, Russell Reynolds Associates

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

“We have a joke around here that if it plugs in anywhere, uses electricity, it’s Bob’s responsibility,” Daugherty said. “So even though I think people are struggling with their budgets, it does not surprise me that the actual size of the budget is growing simply because the volume and the stuff you’ve got to cover now as part of the IT budget is growing.”

IT leaders appear eager to take on more challenges. According to the survey, the majority of senior IT executives have their sights set on taking on more responsibility within the next

three to five years: 25% of respondents said they want to move to a larger company and 20% higher up in the overall company and not just within IT. About one-fifth plan to keep plugging away in their current roles, a 5% increase over survey respondents in 2013.

For those senior IT executives who aspire to rise in the ranks, Banerji has some advice. They need to ask two important questions: “Do I actually have the skills and the competencies? Have I developed to become that leader of the future?” ■

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015



Security and Cloud Tied as Top Priorities for 2015

IT executives say 2015 will be the year of security, cloud computing and business intelligence/big data projects. A lesser priority? Mobile technology.

BY NICOLE LASKOWSKI

HOME

A FEW YEARS ago, the IT department at New York City-based law firm Kelley Drye & Warren LLP warned employees of phishing attacks and educated them about known viruses by email. Today, employees are required to go through security awareness training.

“The first line of defense for us is the employees of the firm. That’s oftentimes the infiltration point,” Judi Flournoy, CIO at the law firm, said. “We had to take a more active step in educating our user community around what the risks are and what the responsibilities are.”

Security will remain a top IT project in 2015 for Flournoy, whose perspective was in line with the other 333 senior IT leaders, including CIOs, CTOs, executive vice presidents and directors of IT, who participated in TechTarget’s annual IT Salary and Careers Survey. When asked to

choose their top three projects for 2015, 21% chose security, 21% picked cloud computing and 17% selected BI/big data.

The results provide a glimpse into the IT evolution occurring within the enterprise. While security was also ranked as the top project last year, cloud computing saw a major leap from fifth in 2013 to first this year. BI also gained prominence, rising from fifth in 2013 to third in 2014, though it should be noted the combined category of BI/big data was not an option on last year's CIO salary survey. Business process management ranked fourth this year, the same position it held last year, but garnered a slightly lower percentage of respondents, from 17% in 2013 to 16% in 2014.

On the flip side, mobile technology slid from second in 2013 to fifth this year, with 14% of respondents reporting it as a top priority for 2015. Sasi K. Pillay, CIO and associate vice president at the University of Wisconsin System, does not agree with this finding. Mobile technology touches so many aspects of a technology strategy

that it remains a major priority for CIOs, he said.

“You mention security and cloud as top focus areas, but you can't have success in those areas without mobile [technology],” he said. “It's all connected—cloud, security, mobile, data. Information is accessed on mobile devices from the cloud and you need application and data security.”

Disaster recovery/business continuity also dipped from third in 2013 to fifth in 2014, with 15% of respondents reporting it as a top project for next year. Like last year, outsourcing and privacy landed on the bottom of the top projects list—at 3% and 1%, respectively—joined by help desk (3%) and social media (1%).

SECURITY-HEAVY STRATEGY

One of Fournoy's major goals for 2015 is to obtain ISO 27001 certification, a standard for information security management systems that will involve an analysis of the firm's systems, policies and procedures.

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

The certification is part of an ongoing security initiative sparked by Kelley Drye's relationship with financial institutions, which view law firms as vendors and are required by the federal government to audit those vendors. "We're being regulated by virtue of the fact that we have clients that are being regulated," she said.

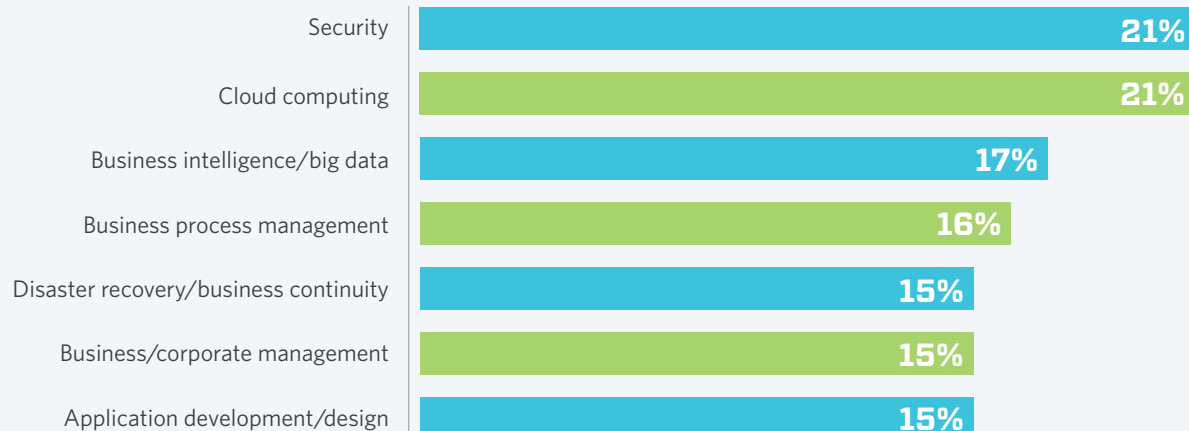
This "downstream regulation," as Flournoy referred to it, has been a major influence on her security-heavy IT strategy for the last few years. She has invested in and implemented new technology such as the network authentication standard 802.1x, which enables IT to identify and control every piece of equipment attached

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

Project Priorities

What will be your primary project areas for 2015?



SOURCE: TECHTARGET'S 2014 IT SALARY AND CAREERS SURVEY

to the firm's network. And she's increased her security staff from three to four full-time employees, introducing a director of information security and risk to the department.

"After what happened with Heartbleed and now Shellshock, I don't know where we'd be if we didn't have those people," said Flournoy, who oversees a team of 40. "And I don't know how other companies are dealing with those vulnerabilities if they don't have staff to handle them. It's a significant effort to go through and talk to and obtain from every single vendor the relevant patches and apply those patches."

But investment dollars don't grow on trees, leading Flournoy to make some tough tradeoffs—a reality that's happening across her industry, she said. Investments in Kelley Drye digital assets—from the website to marketing materials to electronic signatures—were put off until 2016. Flournoy recognizes the importance of these customer-facing digital products, but also believes having an ISO 27001 certification in hand "will be a badge, if you will, that we can

"After Heartbleed and now Shellshock, I don't know where we'd be if we didn't have those [security] people."

—Judi Flournoy, CIO, Kelley Drye & Warren LLP

show our existing and potential clients that we have taken this step toward a heightened information security practice."

PROJECT LINES BLUR

Other CIO salary survey respondents made it clear that delineating a big data project from a security project from a cloud computing project is becoming increasingly difficult. Anthony Peters, director of IT at the San Francisco-based financial services firm Burr Pilger Mayer Inc., called cloud computing "an ongoing thing for us." This year, Peters, who leads a team of 14, is embarking on a significant data integration proj-

HOME

HOW DOES YOUR IT SALARY STACK UP?

HIGH-EARNING IT EXECS ARE TOPS ON PAY, NOT ON HAPPINESS

IT EXECUTIVE COMPENSATION UP, BUSINESS INPUT A FACTOR

FOR IT EXECUTIVES, JOB SATISFACTION ISN'T ABOUT SETTling

SECURITY AND CLOUD TIED AS TOP PRIORITIES FOR 2015

ect that will combine data from billing with the firm's CRM and HR systems.

"We don't have the expertise in house to support the data integration, so we thought it would make more sense to use a cloud-based solution," Peters said. He referred to the project as a BI/big data project—indicating it was his team's top priority for 2015—but the importance of cloud computing technology and services should not be overlooked.

According to Gartner Research Inc., the lines between technologies will continue to blur as businesses become more digital. The "nexus of forces"—a combination of social, mobile, information and cloud—"gives rise to digital business and new business designs that blend the virtual and the physical worlds," Peter Sondergaard, head of research, said during the recent Gartner Symposium/ITxpo.

An IT director at a large educational publishing company—who participated in the survey and asked to remain anonymous—is seeing that collision firsthand. He said big data and secu-

rity projects for 2015—so intertwined, he called them "equally priority ones"—will be part of the company's digitization transformation. The effort will also involve an overhaul to IT service management, which didn't fare well in this year's survey results, with only 8% reporting it as a top project.

"The organization is moving from a centralized business model to more of a global model," he said, and that means subsuming shadow IT personnel—any group or individual performing an "unofficial" IT role within the business lines. Part of the impetus for the restructuring is to streamline the company's technology portfolio to, for example, remove redundancies such as the company's "47 instances and contracts with Salesforce.com," he said.

MOBILE TECHNOLOGY FALLS DOWN THE LIST

One of the most surprising survey results was mobile technology's fall from the top projects list. Last year, it ranked second (20%), while

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015

this year, it tied for fifth (14%). For Kelley Dreye's Flournoy, the result makes sense.

"In the last couple of years, we've dealt with mobile technology," she said. "We've adapted to iPhones and iPads; we manage them with mobile device management, so we manage them securely, and we've allowed them into the enterprise."

Mobility hasn't gone away; instead, the conversation has shifted, Flournoy said. It's now about building applications or ensuring employees are able to access the resources they need when they're not in the office. "Those are things we're still working on," she said.

For a smaller firm like Burr Pilger Mayer, mobile technology isn't a priority for a very simple reason. While the firm has a BYOD policy in place and employees can access email on their mobile devices, "it hasn't been high on the priority list because we don't have the resources," Peters said.

Even if Peters did have the resources, a mobile technology project would eventually lead the firm back to security. "We'd like to give our users access to some of our applications and data on their mobile devices," he said. "We've not had the chance to look into it and the security concerns, data encryption—all of that." ■

HOME

HOW DOES
YOUR IT SALARY
STACK UP?HIGH-EARNING
IT EXECS ARE TOPS
ON PAY, NOT ON
HAPPINESSIT EXECUTIVE
COMPENSATION
UP, BUSINESS
INPUT A FACTORFOR IT
EXECUTIVES,
JOB SATISFACTION
ISN'T ABOUT
SETTLINGSECURITY AND
CLOUD TIED AS
TOP PRIORITIES
FOR 2015



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HOME

HOW DOES YOUR IT SALARY STACK UP?

HIGH-EARNING IT EXECS ARE TOPS ON PAY, NOT ON HAPPINESS

IT EXECUTIVE COMPENSATION UP, BUSINESS INPUT A FACTOR

FOR IT EXECUTIVES, JOB SATISFACTION ISN'T ABOUT SETTLING

SECURITY AND CLOUD TIED AS TOP PRIORITIES FOR 2015

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