Turning the Tide of Technology in Middle Tennessee

January 31, 2008
11:30-1:00 PM
Belmont University
Brief History of the NTC

- 501c6 Trade Association Corporation
- Founded in 1999
- Membership made of 321 Companies/Universities
- Primary purpose is to **Serve**, **Involve**, and **Promote** the Middle Tennessee Technology Community
Advertised IT Jobs in Nashville
May 2007

Serving Involving Promoting
<table>
<thead>
<tr>
<th>Job Type</th>
<th>2007</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analyst</td>
<td>387</td>
<td>256</td>
<td>152</td>
</tr>
<tr>
<td>Developer</td>
<td>202</td>
<td>155</td>
<td>127</td>
</tr>
<tr>
<td>Data Center</td>
<td>103</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Management</td>
<td>187</td>
<td>141</td>
<td>94</td>
</tr>
<tr>
<td>Network Engineer</td>
<td>71</td>
<td>81</td>
<td>69</td>
</tr>
<tr>
<td>Help Desk</td>
<td>138</td>
<td>61</td>
<td>47</td>
</tr>
<tr>
<td>Database</td>
<td>74</td>
<td>55</td>
<td>32</td>
</tr>
<tr>
<td>Web Developer</td>
<td>41</td>
<td>25</td>
<td>26</td>
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<tr>
<td>Training</td>
<td>29</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td>Quality Assurance</td>
<td>22</td>
<td>11</td>
<td>12</td>
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<tr>
<td><strong>Total</strong></td>
<td>1,254</td>
<td>802</td>
<td>569</td>
</tr>
</tbody>
</table>
Employer Statistics

• The companies here today represent 3704 IT employees

• The companies here today represent 236 IT job vacancies

• The Average Entry Level Salary - $42,000
Employer Statistics

- 83% of the companies here today said they are willing to hire a recent college graduate.

- 40% of the companies are willing to hire someone with a two year degree or certificate.
University Statistics

- Between **215** to **380** students will graduate in 2008 with a four year technology related degree.

- Between **80** to **100** students will graduate in 2008 with a two year technology related degree.
University Statistics

• Between 252 to 389 freshman are currently enrolled in four year technology related programs

• Approximately 152 students are currently enrolled in two year technology related programs
University Statistics

- **31%** of graduates with bachelor's degrees in technology stay within the greater Nashville area.

- **67%** of graduates with associate's degrees in technology stay within the greater Nashville area.
Labor Market Opportunities in the Nashville Economic Market Area

Janet Miller
Nashville Area Chamber of Commerce
The Nashville Economic Market

- 1.6 million people
  - At 2.1%, grew 2x’s faster than the state (2000-06)
- 850,000 person labor force
  - 34,000 seeking work (Sept. 2007)
- 1.1 million jobs
  - 800,000 traditional wage & salary jobs
  - 300,000 proprietorships

Source: Tennessee State Data Center and US Census Bureau, 2006
A Truly Regional Economy

Commuting Patterns in the Nashville Region
(US Census Bureau, 2000)
Population Increase by Age Cohort, 2000-2006

- Pre & Young Schoolers (0-9): 20,095
- Next Gen Talent (10-19): 12,997
- Prime Working Age (20-54): 53,403
- Pre-Retirees (55-64): 47,901
- Retirees (65 or over): 19,273
Educational Attainment for the Nashville Region (2006 est.)

US Proportion

Educational Attainment Level

- Grad or prof. degree: 9.4%
- Bachelor's Degree: 18.5%
- Associate's Degree: 6.3%
- Some college, no degree: 20.2%
- HS Grad (GED): 30.6%
- Total Less than HS: 15.0%
Largest Origins and Destinations of Nashville Area Migrants, 2005-2006

- Total Arriving to Nashville: 3,000
- Total Leaving Nashville: 2,000

Cities and MSA:
- Memphis MSA
- New Orleans MSA
- Los Angeles MSA
- Atlanta MSA
- Knoxville MSA
- Chicago MSA
- New York MSA
- Detroit MSA
- Birmingham MSA
- Houston MSA
Regional Workforce Demand

• Employment growth to slow
  – 127,000 jobs between 2002 and 2007
  – Expected to add 120,000 jobs through 2017

• Half of new employment growth will occur in 3 economic supersectors:
  – Education & health services,
  – Leisure & hospitality, and
  – Wholesale and retail trade

• High growth, high wage occupations include:
  – Nursing,
  – Postsecondary teachers,
  – Various managerial positions, and
  – High skill IT-related occupations
Regional Workforce Demand

- Annual Job Growth Goal of 11,500
  - Last FY - 19,386
  - YTD through October - 9,000

- Current Relocation Pipeline
  - 39 negotiating projects
  - 7,475 jobs
  - 5.6 million square feet
  - 1.4 billion investment

- Large demand for technology workers in HQ's, Data Centers, shared services and pure IT shops
Off Shoring Statistics

• 5% of US companies off shoring (10% of NTC Companies)

• Expected changes in next two years
  - Increase 7%
  - Decrease 4%
  - No Change 86%
  - Don’t Know 3%

• Higher Off Shoring in Larger Companies
  - 1000+ 11%
  - 500-999 11%
  - 250 – 499 8%
  - 100 – 249 3%
Off Shoring Has A Place

- Provides cost effective alternative
  - Back Office Support and Function
  - Alternative for US pm support
- Staff Augmentation
- Good for spike and part time needs to ensure
- At HealthSpring
  - Evening Coverage (DBA and Operations)
  - Secondary “Non Core” development in India
  - Niche skill set augmentation (PeopleSoft)
Off Shoring Myths

• All of our jobs are going overseas, why major in IT
  – Continual high number of openings locally – and growing
  – Demand is Outpacing Supply
  – There will always be a place locally for good technologists
Next Steps

• March 6
  - Meeting with Deans and Tech Educators
  - Strategy / Action plan for Initiative
  - Create top issues to be addressed

• May 8
  - Present Findings
  - Go Forward Action Plan
  - Partnership Charter

Serving
Involving
Promoting