

AICN NEWSLETTER

The ALLIANCE of IEEE CONSULTANTS' NETWORKS
by the IEEE-USA's Coordinating Committee



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CHAIR'S CORNER By Dr. Gary Blank



HOW TO WORK A NETWORK

The main reason for the phenomenal growth in the numbers, membership, and popularity of Consultant Networks is very simple, - more consulting business for all of us. The directories and the web sites have been very successful but nothing can surpass attending the meetings of the networks. With all due respect to the meeting organizers, to the guest speakers, and to the agendas, the most important part of the meetings is the networking with other consultants.

I was unsure of what to expect at the first meeting I attended. What benefit would I derive, if any? What could I bring to the network? It took two or three meetings to answer my questions. I felt the growing bonds of friendship. I got to know the members and they got to know me. The more meetings I attended the more convinced I became that this was a powerful way to build a successful consulting practice. I became so familiar with the members that I knew their areas of expertise, and they became familiar with mine. When I heard of a client seeking certain help I did not have to look in a directory or check a list. I instinctively knew which member to call, the one I had met at many meetings. And the system is reciprocal. I was referred by my fellow consultants, the ones who had met me at the meetings. Being a member of a network is good, that is very simple. But being a networker requires extra effort, effort that pays handsome dividends.

I have observed that when consultants are busy and they have a lot of work they do not

attend network meetings. The upside: business is good. The downside: meeting attendance is down. Let me remind you that marketing and networking must continue in good times because we all know that slower times are ahead. Have you observed the inverse relation? In slow times, attendance is up and members are looking for business. In good times, attendance is down. I recently exchanged high fives with some of my fellow members because the meeting attendance was poor. Everyone was busy and business was good. We congratulated ourselves and we were pleased because one of the purposes of the network had been realized. The purpose is ironically to decrease attendance or to self-destruct. How's that for a positive spin on poor attendance?

NEW NETWORKS

Several new networks have recently come into existence and more are in the process. I have had the pleasure of attending some of their start-up meetings. Many of them have already obtained the prestigious status of Affinity Group that all networks can achieve. There are also financial benefits to the Sections. In our next issue we will

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This Newsletter

... is designed to let you know the AICN is still in business, but behind schedule. This issue contains several articles gleaned mostly from the IEEE-USA web site which is stuffed so full of information I thought you might like what it says about consultants. I have purposely inserted my own opinions to provide discussion. Please write with yours.

Our chairman, Gary Blank, has been working hard to get more Consultants' Networks organized and to organize a Regional Consultants' Workshop.

Consultants On-Line Directory

By Neil Clark

A new Consultants Database is now on-line at <http://www.ieeeusa.org>. The database includes consultant credentials, contact information and a link to their web site. A one-year membership is \$75 for members, and \$99 for non-members. A searchable compact disk of the complete database will be available free to fee paying members later this year. Call IEEE-USA at 202.785.0017.

I looked at the Business & Consulting | Consulting Services | Online Directory and was very impressed with the thorough job. Lots of detail is required to do more exact matches. There are four kinds of query input clients can make for information about consultants. (1) A questionnaire based tool that matches consultants to your project; (2) A search engine that allows maximum control of search terms; (3) A quick and easy search form; (4) A way to post project assignments.

Looking around in the data base is not possible unless you are properly registered including the payment of a \$75 per year fee. Also, I noticed that clients would have to know quite a bit about their technical needs and projects to fill in all the question spaces, but maybe they can just guess or leave them blank and get some references.

There are a great many very good consultant services available besides the on-line directory. For example:

- ◆ Local Networks,
- ◆ Consultant Workshops,
- ◆ Starting a Consultant's Network
- ◆ Consultants Library,
- ◆ AICNCC NewsLetter,
- ◆ Consultants' Fee Survey,
- ◆ Web Resources

The database allows consultants to place banner ads to increase visibility and link to their own web site with an additional \$250 fee per year.

Connecticut Connections Ramblings on Consulting

By Tom Freehill

From the sounds of things, the economy must still be doing well. I make this observation, because most of the networks I have spoken with say that meeting attendance and people volunteering to contribute, are off (particularly volunteers). Most networks have a core group of from 5 to 15 people and these people do all of the work. The network sizes range from 18 to well over 100.

If the economy goes into the tank, everyone expects membership, attendance and volunteering to improve. Why do engineers, people supposedly trained to anticipate problems (or having learned the hard way), wait until they are up to their elbows in alligators to drain the swamp?

Admittedly, there are three types of consultants: those who chose to go "1099," retirees, and those who had no choice (these may also be retirees). I would

guess that the majority of the current volunteers fall into the first group. They prefer to be in control of their lives and realize that if they don't maximize their exposure, they may miss some meals.

The last two groups consist of those who have been laid off or taken an early out. Those who were laid off may call themselves consultants because it looks better on a resume than "unemployed." They are usually transient in nature and disappear at the first opportunity of full-time employment (not always). They are also more likely to work for job shops. Not that there is anything wrong with job shops, but they are again relying on someone else to control their lives.

The retirees "early outs" are a separate breed. Most likely, they have a pension and don't really need the money, but even after 30 to 40 years, they still love the work. I know many in this category. They are likely to attend meetings, about 50% are willing to volunteer and remainder are looking to socialize (not a bad thing).

The moral of the story is that if you read this, you are most likely a member of an AICN affiliated network or "affinity group" and there is better than a 90% probability that you do nothing to help

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*Take an early out
if you see the
alligators comming*

The IT Labor Market

by Neil Clark

Engineering consultants are supposed to be agile in all things engineering which, these days, includes programming and software. But, how about business? In this respect, the letters “IT” appear everywhere intending to mean *Information Technology*. IT has come to mean engineering with a definite bent toward practical, business related, customer oriented programming and software.

Companies hiring IT consultants want them to have the right attitude, that is, think in terms of business profit in three months! IT hiring managers see thousands of software products that say, “use me and make a profit in a week”, and they want a consultant to be familiar with the product, hook it up to their perceived problem and make it work. Are you willing to say you can do that?

Of course you are! You are willing to listen to their perceived problem and provide a make-believe solution. You’re as good as the next guy to see a way to make their customers happier and save costs. Your job is generally seen as a way to eliminate “unnecessary” personnel and replace them with more efficient, less costly software. It’s a business deal and you are in business!

Degrees in engineering and computer science are preferred as background for these IT jobs because this knowledge of fundamentals provides a much more enduring and expedient solution to problems. But trade schools and vendor certification provide much less expensive and more readily available personnel. This may be viewed as a “dumbed down”, but adequate, work force.

The IEEE-USA has been aware of the IT transformation of the engineering job market and has taken a position. On behalf of the IEEE-USA, Ron Hira has been a part of the *Committee to Study Workforce Needs in Information Technology, Computer Science and Telecommunications Board, National Research Council*. Dr. Hira’s remarks on this situation are published on the IEEE-USA web pages under *Current Perspectives on Information Technology Labor Markets*.



This committee, of the National Research Council (NRC), identified four fundamental questions:

- (1) How responsive are IT labor markets to imbalances in supply and demand?
- (2) What factors impede recruitment of older, more experienced engineers?
- (3) What are the obstacles to hiring of women, minorities, disadvantaged?
- (4) What is the role of government in helping the IT labor market function more effectively?

As for the labor market, there were lots of IT jobs available, but now the market is down apparently because everything else is down. There was such a demand last year that H1-B visa permits were raised by Congress to 195,000 per year. There are claims that there was really no shortage. The Information Technology Association of America just thought a little foreign competition would bring costs down.

Schools, and students looking for training, however, have responded, and graduation levels are up at universities and community colleges. And, IT companies are beginning to pay for some in-house training to retain their better workers. Just in time for market implosion. The traditional market role of demand and supply always seems to be a bit out of synch for engineering training that requires more than six months.

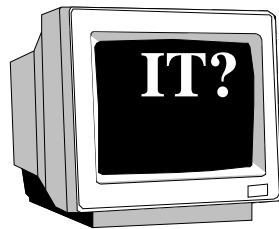
The IEEE-USA takes dim view of the way industry treats mid-career and older engineers in this market. As a whole, the IT industry puts a premium on presumably more technology-savvy younger workers.

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The IT Labor Market

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The NRC apparently believes that knowledge and skills that come with experience count for less and less, and that the older engineers lack the flexibility and adaptability



as well as the willingness to keep up with rapidly changing technology. Although the IEEE disagrees with this conclusion, there is proof that industry is getting along just fine without them. This is evidence that software developments are making engineers less necessary.

It was noted in the NRC study that modest gains were made in the late 1980's toward employment of women, some ethnic minorities, handicapped and disadvantaged Americans. Still the proportion indicates these individuals continue to be hired less often than white males. The NRC notes that the influx of foreign workers (H1-B) has an adverse affect on employment opportunities for these people.

The government's role in the IT labor markets was glossed over because most industrial users of IT personnel firmly believe in the sanctity of "the market" which is no place for the government to be meddling. Of course, the IEEE-USA has no position on this issue. It's a sensitive issue, and the reason for its relevance is that market forces do not always move in the direction of national security and infrastructure advancement in which engineers play an important part.

Dr. Hira referenced the noted economist, David Schumpeter who described the market economy in terms of creative destruction. Innovation which creates new jobs necessarily destroys old ones. This willful wasting of out-of-date skills is really hard on engineers left hoisted on their own spear. The government could do something about this by assuming more responsibility for national goals for engineering education and training, and better definitions and enforcement of age discrimination.

Dr. Hira's remarks can be found at <http://ieeusa.org/forum/policy/1999/99july06.html>

What's To Be Done With Old Engineers?

Older engineers are a drag on the market. They have too much education and experience in the wrong things, and not enough in the right things. They want too much money, too many benefits, and they talk back to their supervisors.

Consultant groups are highly populated with these older engineers who have been laid off or downsized, and they love engineering so much they feel maybe they can make a living at consulting. Dr. Ron Hira, in his comments on the IT Labor Market (*Current Perspectives on Information Technology Labor Markets*, IEEE-USA web pages) mentions his father, also an engineer, but not a consultant, was laid off and could find another job only at 40% less salary.



This is too bad and we are sympathetic for such older engineers, but that's the way it is! The market rules and we must bow down in respect. This is respect for corporate profit and to make opportunities for younger engineers. Sometimes this is called the cost-benefit ratio, which we assume at less than one, and makes jobs available for engineers and consultants. Sorry, but engineers cannot make this calculation.

Engineer's Motto:
Cost/Benefit
< 1

It takes an MBA to do this. There is really no subjective evaluation of older engineers' feelings in the matter. It's a very "bottom line" type of thing.

The IEEE-USA is very much concerned by age discrimination which has been featured in articles by Barbara Cole-Gomolski in the *Computer-world*, and in Professor Norman Matloff's collection at <http://heather.cs.ucdavis.edu/ita.html>. There is the *Age Discrimination In Employment Act* Congress enacted in 1990 which encourages employers seeking to eliminate older engineers to give them early retirement with generous benefits. There is the *Age Discrimination Act of 1975*,

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Ramblings on Consulting

By Tom Freehill (contd. from p2)

further the cause. Your dues/annual fee/registration fee go to the IEEE-USA, or your local network, to cover the costs of running things. No one is profiting from your money. If you are too busy, guess what, so are the volunteers. They at least realize that nothing lasts forever.

Disclaimer: The above "ramblings" are strictly my own. Any comments should be directed to ecm@ieee.org

CHAIR'S CORNER

By Dr. Gary Blank

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tell you about these new networks.

FALL NATIONAL WORKSHOP

Start planning to attend the AICN workshop in Minneapolis/St. Paul. The dates are Friday, November 30 and Saturday, December 1, 2001. On Friday, the planned format is to have industry managers explain how they find consultants and how they use them. On Saturday the speakers will be consultants who will talk about how to build a successful practice and some of the important issues. Members and non-members of all AICN networks are invited. More details will follow in our next issue.

Median Engineer Salary Tops \$90,000.

At least that's what the big headline said in the IEEE-USA News. This is the result of a salary and fringe benefit survey of IEEE members taken on-line and represents the most complete response ever taken resulting in over 9500 earning reports. The complete 64 page report cross tabulated in areas such as age, gender, experience, industry, technical experience and location is available for \$150 for non-members, and \$75 for members. Call in your order from +1 800.678.4333.

Consultants must at least be keeping up with this trend. Allowing for inflation this is the equivalent of about \$56,000 in 1990. Consultants must, of course, allow for all insurance, vacation and holidays which they must pay themselves.

What's To Be Done . . .

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which prohibits age discrimination in programs receiving federal assistance. You will probably need about \$10,000 and a good lawyer just to get started on your own. Let's face it. You can't hide it for long without plastic surgery and that's another \$10,000.

Discrimination has a bad ring to it, but we do it all the time. When we feel we've been discriminated against it's bad. Doing it to someone else gives us an advantage. You can't prove discrimination. You feel it. If you do, you admit the market must be right, and there's something wrong with me. At some stage in our lives we must simply get out of the way of progress. The IEEE-USA says reservedly, "collect the facts" and consult with your local Equal Opportunity Commission Office. Ha! What facts?

The IEEE-USA does have policies and procedures to help members and encourage them to maintain productivity through their own initiative, and for employers to help with this. They also encourage employers to examine their practices to insure they are not discriminatory.

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