

# NETWORKWORLD

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## With new pay, new responsibilities

Net executives' salaries rocket upward as stature grows.

By [Julie Bort](#), *Network World*, 03/27/06

It is 1986. Ronald Reagan is in the oval office. It is the year of the space shuttle Challenger disaster, the Chernobyl nuclear meltdown and the launching of Fox television broadcasting. At the office, the fax machine rules. While DOS-driven PCs are everywhere, the important data is coded in COBOL and locked away on mainframes in hallowed glass rooms.

In 1986, the network folks, more commonly known as datacom managers, earned a cool \$52,000 on average, according to the IEEE. By comparison, software specialists were making about \$49,000. These were good jobs that paid well for the times, equivalent to about \$89,000 in today's inflation-adjusted dollars.

But in the next 20 years, good would get a whole lot better. For middle managers who rode the technology explosion to the upper echelons of the game, garnering vice president positions or one of the many C-level titles, salaries and perks reached about \$130,000 in 2005, according to a *Network World* salary survey. That's more than a 150% increase.

"In '86 I was at a facilities-management firm making about \$49,000, which back then was not bad at all," says 52-year-old Zack Lemelle, a 30-year IT veteran who is now CIO at the Ethicon-division of Johnson & Johnson, in Somerville, N.J. "Now I have 98 people reporting to me, and I'm earning more than ever. It's never enough, of course, but I'm earning more than I envisioned I would as a young buck."

Today entry-level help-desk trainer jobs pay \$53,000, while middle IT managers who report to the network executives take home about \$82,000, the *Network World* survey shows.

Twenty years after it began, the war between the telecom and datacom sides has been largely won by the data people, at least on the salary front. In 1986, telecom engineers earned \$56,000, about 8% more than their datacom counterparts (at \$52,000). Today, telecom managers take home \$82,000 and often report to the datacom execs.

### From back room to boardroom



With the salary increases came new respect. In 1986 IT workers were highly technical and skilled, but to those in the boardroom mostly invisible - a necessary expense like accountants and security guards.

**"Twenty years ago, it was very much an us-vs.-them mentality," says Evan Scott, president of IT executive recruiting firm Evan Scott Group International in Philadelphia. "Data processing and networking were seen as overhead having nothing to do with the business; you just had to have them."**

**Not only are the IT executives now highly visible to the boardroom, they are often members of it, with roles such as CIO, CTO, CSO. "Today, a CSO, CIO or vice president of engineering is every bit as highly valued [by the business] as a chief marketing officer or vice president of sales," Scott says. "They are in parity with other top executives. And demand for folks that understand security is tremendous."**

With that increased visibility has come a complete revamping of IT's role, Lemelle says. Business intimacy, as he dubs it, is the core of the job today. An IT worker is required to intimately understand the employer's industry and how technology serves and enhances the company.

Twenty years ago, such knowledge was irrelevant - technology competency alone determined pay and status. "It was, did you know the [IBM](#) mainframe or Univac? Did you know how to run a personal computer?" Lemelle says. "Now it's about what you know about healthcare, education and different kinds of industries. You need to know what the opportunities are and the implications of technology for those industries."

This is true even for entry-level IT software programmers, he adds. "Back in the old days, programming took place in smoke-filled back rooms sitting in front of terminals all day. Kids today spend more time with the client understanding the processes and devising automated solutions to meet those needs."

The business technologist role will evolve to be ever more critical in the years ahead, Lemelle says. **Scott agrees: "We are in a golden age, but relative to 20 or 30 years ago, we may be at the beginning of the golden age."**

However that golden age progresses, one thing seems certain. Network executives can expect to take it to the bank.