

Will the IT Industry Survive Another Recession?

As another recession approaches and folks keep hearing the news of layoffs in the tech sector, it's natural to wonder how an economic downturn could impact IT.

HOLLY SPRINGS, NORTH CAROLINA, UNITED STATES, June 12, 2023

/EINPresswire.com/ -- A recent report

from the Commerce Department showed Q1 economic performance "slowed sharply" to a 1.1% annual pace as reported by the [Associated Press](#). The article also delivered the not-so-surprising news that the surge in borrowing costs over the last year will most likely push the United States into another recession in the coming months. As we continue to hear this rather gloomy

“

So will the IT industry survive another recession? By all accounts yes, but this sentiment could be a double-edged sword...”

Tony Galati, Founder & CEO of MyComputerCareer

MYCOMPUTER CAREER

TRAINING FOR A BETTER LIFE
IT-Training School

economic outlook, and continue to see reports of widespread layoffs in the “tech sector,” one can’t help but wonder if the industry is resilient enough to survive.

Here we go again

Unfortunately the unease of a recession is nothing new to Americans. In fact, since the Great Depression, there have been 14. So even though resiliency is kind of our thing, it would be silly not to ponder which industries will weather

the gathering storm.

For comparison purposes, let’s look at the performance of various sectors during the “great recession” of 2007-2009. Not surprisingly, the industries hit hardest over this time period were manufacturing and construction, with both experiencing the [largest percentage declines](#) in employment of the post-WWII era, according to the Bureau of Labor Statistics (BLS). Typically, these “goods-producing” industries post the largest drops in employment during a recession. Additionally, the finance, retail and wholesale trade, transportation and warehousing, and leisure and hospitality industries all experienced their largest sustained job losses on record. The industries that remained resilient during the great recession? Education and health services, which have posted increases for more than 30 years.

But what about IT?

And then there's information technology. Here's what we know. According to BLS data the IT industry experienced a net loss of 200,000 jobs from 2008-2009. By comparison, the construction industry lost 2+ million jobs, while the manufacturing, retail, and finance sectors each lost over 1 million. Immediately following the great recession, the IT industry added 650,000 jobs from 2010-2016. Construction added 1.1 million, manufacturing added 800,000, retail added 1.3 million, and finance added 800,000 during the same period. The estimated net growth/loss from recession to "recovery" by industry was:

- IT: +450,000 (+225%)
- Construction: -900,000 (-45%)
- Manufacturing: -200,000 (-20%)
- Retail: +300,000 (+30%)
- Finance: -200,000 (-20%)

It's fair to say this data analysis is a bit rudimentary, but these details do paint the broader picture, and that picture shows the IT industry robustly recovered from the most recent recession.

Rebranding the "tech sector"

Before we look at what might happen next for folks working in IT, let's settle on who is working in IT. When the public thinks of the tech sector, there's a good chance Google, Meta, Amazon, Microsoft, etc. come to mind. In reality, and not surprisingly, coming out of the pandemic technology is more prevalent in every small, medium and large organization. Even before the pandemic, the traditional "tech sector" description didn't really apply as IT professionals were an increasing priority for many companies. So while the news of recent tech layoffs of nearly 140,000 paints a not-so-rosy outlook, according to [CompTIA Chief Technology Evangelist Dr. James Stanger](#) "any of those workers that might have been involved in those (huge tech company) layoffs have found jobs quite readily in other sectors." In short – the tech sector is now everywhere.

So there is demand, very real demand, for skilled IT professionals. In fact, hiring managers are finding it difficult to fill the thousands of available information technology roles in the marketplace. This increased competition points to an industry that will most likely survive, and potentially thrive, during a recession. If you're currently in IT, or working towards a career in the space, the conversation shouldn't be around the health of the industry, rather finding ways to rise above your peers vying for the same gig.

Looking ahead

Our increased reliance on digital technologies obviously highlights the increased reliance on a skilled IT workforce, which comprises more than 4 million people. And I'm sure most folks in IT have heard the BLS prediction that by 2031 computer and information technology occupations will increase 15% which could bring nearly 700,000 jobs. With such a large number of emerging positions in the updated "tech sector," this means employers can, and most likely will, be more demanding on what is needed to fill these jobs. This means no matter the level of education – certifications, a degree, an advanced degree, or simply years of experience – continuing education for IT pros is critical. The ability to prove to employers that your skillset makes you a stronger candidate than your peers will be a challenge, so both aspiring and current tech professionals should be actively involved in various forums, social media, and trade organizations in the industry. Is there a local or regional speaking opportunity where you can flaunt your knowledge and provide value? Great. Your digital footprint should be filled with highlights of your skills and activity.

So will the IT industry survive another recession? By all accounts yes, but this sentiment could be a double-edged sword for those looking to break into, or continue, their careers. This is a noisy space that might just get noisier in the next few years, and IT professionals will need expert training and lifelong learning to excel.

Author: Tony Galati, Founder & CEO, MyComputerCareer

Tony Galati is a graduate of the BYU Marriott School of Management and now revolutionizes vocational education in the U.S. through MyComputerCareer. He began his career in accounting, but quickly found himself needing additional income and feeling unfulfilled crunching numbers. After transitioning into IT and rising in the ranks, he founded MyComputerCareer in 2007. Under his direction, MyComputerCareer has grown from one instructor and one small training center to a leading national institution with nine in-person campuses and an expansive online learning program serving thousands of students per year.

Aaron Martin

MyComputerCareer

+1 773-505-4325

aaron.martin@mycomputercareer.edu

Visit us on social media:

[Facebook](#)

[LinkedIn](#)

[Instagram](#)

[YouTube](#)

[TikTok](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/638605754>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire,

Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2023 Newsmatics Inc. All Right Reserved.