

The "Stable" Fable: How Internet Technology is Redefining Stability on Wall St.

By Scott Gerson

With the advent of Internet technology, stability is no longer the bedrock of success on Wall St. Technological change - constant and irrepressible - is reshaping and restructuring the fabric of financial markets worldwide. The speed of this unprecedented growth is shattering our once accepted notions of stability and security.

The Internet is all pervasive and e-commerce is changing business worldwide. Wall St. firms are rapidly incorporating and adapting the Internet to suit their specific needs. Hundreds of vibrant new "Silicon Alley" Internet- related companies have flooded international markets. Generally, one out of one hundred companies survive. For Internet-related technology companies a staggering 1 in 2 companies are not only surviving but thriving. The company Netscape is a prime example. Within a year and a half, Netscape, a major Internet Technology Company has grown to capitalizations of over 3 billion.

This phenomenon has precipitated the highest demand ever for technologists with Internet experience. These technical professionals are essential for the growth of every company. Every investment bank is using Internet technology in building their applications. The Internet has also spawned a wealth of new jobs, including developers, administrators, architects and security analysts to investigate and monitor security on the net. The result is that technologists have many more choices, as Internet technology companies compete with Wall St. investment banks for their expertise. High salaries and sign-on bonuses are commonplace.

Technologists and quants are rejecting security in favor of more dynamic opportunities. Stable companies traditionally offered slow, steady growth but the Internet is providing explosive growth opportunities. The new Internet world is revolving so quickly that there is simply no time for stability. If you're stable, you're stagnant.

According to Frank Sorrento, president and C.E.O. of Solutions:

The most successful companies used to set the standards for stability and longevity. These same companies demanded similar qualities from their technologists, requiring 5-10 years of experience to ensure expertise, loyalty and dependability. However with the explosion of Internet technology one year is fast becoming the equivalent to 10 years in a pre-network environment. A "stable" candidate is now someone with 2-3 years of experience vs. 5-10 years in the past. Stability also refers to the character, talent and knowledge of the individual rather than his/her longevity with the company; character being defined by a person's honesty, trustworthiness, diligence and creativity. Companies should be less concerned with traditional stability (5-10 years) and more concerned with character. Those firms that continue to worry about hiring based on outdated models of longevity are likely to lose perfect candidates to firms who acknowledge that 2-3 years of experience is the new standard of stability. As the supply of technologists becomes increasingly limited, companies must compete for high quality people by providing creatively challenging positions and superior work environments.

Traditionally stability refers to longevity in the marketplace. Five to ten years of experience was viewed as most desirable - demonstrating not only proven expertise, but loyalty and trustworthiness, dependability, etc., dispelling the myth of stability, redefining the myth of stability.