

Job Challenge in IT Sector

What is the issue?

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Along with new raising challenges, automation and cloud computing has also drastically altered employment opportunities in the IT/ITeS sector.

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What are the facts?

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- Indian IT/ITES companies are sharply pruning new hiring.

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- In 2016, the sector absorbed 100,000 new engineering graduates.

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- This year, it will make **offers only to about 60,000 new engineers.**

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- Within a few years, it could start shedding jobs.

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What are the reasons?

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- Technology has led to a change in the profile for IT hires as well, and personnel needs have reduced in aggregate.

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- Putting services on the cloud, which is a network of remote servers hosted on the internet, has led to **the demise of dedicated systems departments.**

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- **Automation has taken over** a vast range of low-end tasks such as maintenance, and writing and testing code.

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- These can now be performed with **minimal human intervention.**

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- **Artificial intelligence**, coupled with the **Internet of Things**, also helps with the diagnosis and repair of mechanical devices and even with the repair and maintenance of smart roads and smart buildings.

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- It is now more about finding creative new ways to exploit and deploy promising new technologies.

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What are the challenges?

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- Vast efforts are required to **re-skill new engineers** to do this.
- It is a difficult task since **India's engineering courses are not renowned for their emphasis on developing creativity and original thought.**
- In addition to the technological challenges, there are also the stresses caused by **Brexit** and by fears that the **USA might soon tighten visa requirements.**
- On the supply side, engineering colleges are churning out vast numbers of coders trained to perform tasks that no longer need large-scale human intervention.
- On the demand side, the industry wants creative thinkers but those are scarce.
- In addition to the mismatch, **a slow global economy** has led to low IT investments with clients reluctant to splurge.
- It is hard to see what policymakers can do, beyond enabling and encouraging re-skilling efforts.

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Source: Business Standard

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