

## 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.
- In 2016, the sector absorbed 100,000 new engineering graduates.
- This year, it will make **offers only to about 60,000 new engineers.**
- 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.
- 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.**
- **Automation has taken over** a vast range of low-end tasks such as maintenance, and writing and testing code.
- 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.

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- It is a difficult task since **India's engineering courses are not renowned for their emphasis on developing creativity and original thought.**

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- 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.**

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- 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.

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- On the demand side, the industry wants creative thinkers but those are scarce.

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- In addition to the mismatch, **a slow global economy** has led to low IT investments with clients reluctant to splurge.

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- 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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