

IT eyes 20-fold jump in demand for digital skills

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MUMBAI

Industry body Nasscom will equip more than 4 million professionals with digital skills over the next five years to fill the demand-supply gap across IT services.

The demand for digital skills in India is eight times of what is available and will rise to 20 times by 2024. This can be met by diversifying digital skills across academia, said Sangeeta Gupta, senior vice-president and chief strategy officer, Nasscom, and Amit Aggarwal, vice president and chief executive, IT-ITeS (information technology and IT-enabled services) sector skills council, Nasscom, in an interview with *Mint*.

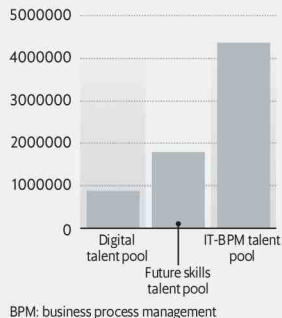
The IT industry body has conducted a survey of the existing talent pool and is working with various stakeholders across the industry, government, and academia to create a comprehensive training programme to close the demand-supply gap.

The digital talent pool within IT-ITes consists of the talent

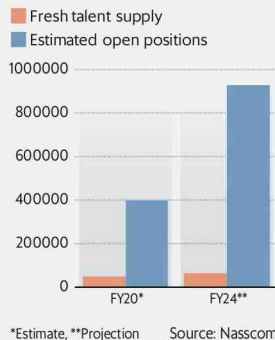
Spotting talent

The demand for tech professionals is growing fast and the cost of training them in new skills is lower in India.

Current employment across India (FY20*)



Future demand in entry-level jobs



SARVESH KUMAR SHARMA/MINT

employed across artificial intelligence (AI), big data analytics, internet of things (IoT), cloud computing, cyber security, robotic process automation, blockchain, augmented and virtual reality (AR/VR), and 3D printing.

“Around a fourth of the 4.3 million people employed by IT/ITeS/BPO sectors are from non-computer sciences background. Even in core software technology companies, 10-15% of the talent is employed from

high-level non-technology disciplines. As we estimate the demand over the next five years, this multi-disciplinary requirement will only increase across sectors,” said Aggarwal.

India has tapped into the first wave of IT demand effectively, but the new skill requirement is changing rapidly and leading to the gap in demand and supply of talent, he said.

A lot of the new requirements in this space will also stem from people with

advanced skills in social sciences and economics, said Gupta.

“The IT industry itself needs more people from across domains as companies in new digital streams want to hire people with collaborative capacity. That is why technology usage needs to be taught across educational disciplines and, hence, we are working with NITI Aayog to develop such initiatives across schools, as included in the New Education Policy,” she said.

Entry-level job openings constitute 68-70% of the total future skills job openings. The talent in these roles are growing

at a compound annual growth rate (CAGR) of 16-20%, while the demand for these roles is growing at a CAGR of 19-23%. Future skills talent growth will be impacted in the short-term because of covid-19. However, as the economy recovers, growth is expected to rebound and reach 3.5-3.7 million in 2024. India at present employs

1.2-1.3 million future skills talent at the entry level.

The demand for technology professionals is growing fast and it requires around \$20,000 to upskill or reskill each candidate globally. “The training cost is also much lower in India, which is why global firms will continue turning to India to groom such talent,” said Aggarwal. Last week, Microsoft

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joined hands with Nasscom Future Skills to launch a nationwide initiative that aims to skill 1 million students in AI by 2021.

Employers and training providers

reskilled 180,000-200,000 digital skills over 2019-20.

The overall fresh talent pool is very robust in India, but the directly relevant talent supply as of FY20 is 45,000-50,000, out of 8 million graduates across streams, which is expected to grow to 57,000-63,000 by 2024, according to Nasscom.