

IT firms' skill gap to limit digital play

India has less than 10% of the data scientists available globally, US much ahead

DEBASIS MOHAPATRA
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Big data and analytics is emerging as a big focus area for heritage information technology (IT) service companies in India as they strive to increase their digital revenue faster.

However, lack of talent in this space is likely to pose a bottleneck in competing with global majors. According to data collated from professional networking site LinkedIn, this country has less than 10 per cent of the data scientists that are available globally. In comparison, 40 per cent are in America.

The data also indicates that Indian IT service players do not have a large base of data analytics professionals when compared with global peers such as IBM and Accenture.

Analysts add there is a big shortage of data scientists both in India and globally, with supply not having caught up with the demand dynamics. "There is indeed a shortage in the market, as these roles require specialisation in mathematics and related disciplines. And as of

now, no vendor, Indian or otherwise, has enough data scientists to meet the exploding demand," said Hansa Iyengar, senior analyst at London-based Ovum Research.

According to a US department of statistics report, demand for data scientists and data engineers is projected to grow around 40 per cent by 2020. In the US alone, the department estimates a shortage of around 150,000 people with data science skills, as of now.

This shortage is creating a situation where IT service players are losing contracts due to inadequate numbers on their rolls.

"Data scientists are the backbone of any service offerings based on IoT (the internet of things), Machine Learning or Artificial Intelligence. Any company with a higher number of data scientists will always have more competence (in the digital services space)," said Pareekh Jain, an independent IT outsourcing advisor.

He says many service providers' sales pitch is based on the number of data scientists they have, since



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clients inquire about their strength in this space before awarding a contract.

With gradual shrinkage of their legacy business, Indian IT service players are increasingly looking at raising the contribution of digital revenue. It is now 25-30 per cent of overall revenue at the 'big four' — Tata Consultancy Services, Infosys, Wipro, HCL.

To bridge the skill gap, Indian firms are investing in employees to train them in data science. "Most vendors are making investments in ramping-up capacity here,

as that is where they see the next wave of client demands coming from," says Iyengar of Ovum Research.

For instance, Wipro is training staffers through its newly launched School of Decision Sciences, in new-age skills focusing on analytics and business insights.

"Foreseeing the sharp spike in the demand for data scientists, we have also invested in platforms like Topcoder," said Pallab Kumar Deb, vice-president. Topcoder is a crowdsourcing marketplace for designers, developers and data scientists.