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IT Consulting Demand Drivers Have Changed, Enabling Growth to Buck Economic Trends

Joint Research from Everest & Bernstein Analyzes Shifts in Value Proposition

Press release

DALLAS, September 30, 2008 – Fundamental changes in the drivers of the IT consulting market have ushered in a new market paradigm – manifested by healthy demand, lessened economic sensitivity, and central roles for globalization and offshoring. The shortage of IT talent in developed countries and the growing sophistication of offshore IT labor markets are supporting healthy growth in the IT consulting market, according to a market analysis and survey of 15 IT consulting companies by the [Everest Research Institute](#) and [Bernstein Research](#).

The IT consulting market, estimated at US\$104 billion, has shifted its value proposition to meet growing needs of vertical industry buyers seeking solutions for business changes, regulatory issues, access to new technologies, and heightened needs for specialized talent, according to the study, [Reading the Alphabet Soup: SI, PI, ERP, etc. – The Changing Drivers of IT Consulting](#).

Rod Bourgeois, Senior Analyst of Bernstein Research, argues, “In the past, killer software applications and the economic cycle were the primary drivers of IT consulting demand, but our research has emphasized that today’s consulting market is characterized by lessened economic sensitivity and supported by a diverse set of demand drivers that vary substantially by industry vertical.”

The Everest-Bernstein research of the IT consulting market analyzes these shifts in demand drivers and details findings from interviews and profiles of 15 consulting companies surveyed for the study: [Accenture](#), [Atos Origin](#), [CSC](#), [Cognizant](#), [EDS](#), [Perot Systems](#), [Genpact](#), [HCL](#), [Infotech](#), [Patni](#), [Sapient](#), [Satyam](#), [Softtek](#), [TCS](#), and [Wipro](#).

“As a result of globalization, offshoring is assuming increasing significance for specific IT consulting tasks, said [Ross Tisnovsky](#), Vice President, IT Outsourcing Research, Everest Research Institute. For example, to provide ERP implementation support activities, suppliers have engaged IT talent available in low-cost geographies like India, Eastern Europe and South/Latin America, which is indicative of increasing offshorability of all but the most interactive of IT consulting activities that mandate an onsite presence.”

To read more about the findings of the [Reading the Alphabet Soup: SI, PI, ERP, etc. – The Changing Drivers of IT Consulting](#) and other [IT Outsourcing research studies](#), an extract of the report is available at [www.everestresearchinstitute.com](#). To purchase the report or receive more information about other research services, please e-mail [info@everestresearchinstitute.com](#) or call +1-214-451-3110.

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