Industry Analysis

IT Consulting and Services

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Industry Overview

The Internet, which is the latest in a string of information technologies (IT) that include printing, mail, radio, the television, and the telephone, has become a game changer for the way companies do business. Important files are stored in a computer rather than in drawers. Messages are sent via e-mails rather than through mail or over the telephone. Meetings are held online through Skype rather than in conference rooms. Today, just about every business transaction can be conducted online – purchasing a book, sending a medical record, filing taxes, offering legal advice, trading stocks, or even organizing a funeral, among many other activities.

In looking for ways to best utilize information technology to meet their business objectives, companies and organizations from various sectors turn to firms known to give expert advice on matters ranging from how to use Internet-based technologies, to improving productivity, to strengthening relationships with clients, to addressing cyber security.

These experts are known as IT consultants – professionals who provide expert advice and assistance in the fields of writing, modifying, testing and supporting software to meet the needs of a particular customer. They also plan and design computer systems and integrate computer hardware, software and communication technologies. In addition to providing advice, IT consulting firms often estimate, manage, implement, deploy and administer systems on behalf of companies. This process is known as outsourcing.

This industry also encompasses healthcare technology, since work in many hospitals has become totally technology driven with electronic data storage systems taking care of the administrative, financial and clinical aspects. Information technology allows healthcare providers to collect, store, retrieve, and transfer information electronically.

Management consulting and IT consulting are separated by a relatively unclear line, and sometimes the two fields overlap. IT consultants, however, often have degrees in computer science, electronics, technology, and management information systems, while management consultants often have degrees in accounting, economics, industrial engineering, finance and a generalized Masters in Business Administration (MBA).

The IT consulting and services industry can be viewed as a four-tier s[...] maintain large professional workforces and command high bill rates; (2) [...] businesses on a temporary basis; (3) Independent consultants who are [...] consultants.

The Major Players. The U.S. IT services industry includes about 100,00[...] of about $290 billion. Among the major players in the U.S. are Booz [...] Limited, Ernst &Young, Hewlett-Packard, International Business Mach[...] regions include Accenture, Capgemini, CGI Group, Infosys Limited, NTT [...] top firms follows, with latest revenue.