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World Quality Report

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Australia and New Zealand

Australia and New Zealand are keen to catch up with the rest of the world in testing and QA – and they're investing to make it happen

The last year has seen a squeeze on IT budgets in Australia and New Zealand (ANZ). As a result, organizations have been obliged to prioritize greater efficiency in quality assurance (QA) and in general IT operations, with digital transformation seen as one means to that end.

A second trend we've seen, this time specifically in Australia, is that the government is placing restrictions on offshoring. This is partly for reasons of what is known as critical infrastructure control (CIC) – an attempt to reduce foreign ownership in key parts of the economy, such as utilities. It is also partly an attempt to retain as much local control as possible of domestic data. For example, the Australian federal government has a significant commitment to onshore data management.

The net result of this move against offshoring has been to make it harder for organizations to address their squeeze on budgets. It explains why so many of them are showing increasing signs of impatience to make progress in technologies and processes that they feel will help to make a difference – specifically, in agile and DevOps developments, and also in test automation, in both of which areas ANZ can currently be said to still be maturing in their journeys. Universities, federal departments, banks, and other businesses are less interested now in proof-of-concept exercises, and want to make progress towards implementation, so they are pushing back on vendors, and chafing against government policy, and they're working hard to make things happen.

The need to change pace ...

All this provides a useful context within which to consider this year's survey data, starting with the relative importance of various objectives in relation to QA and testing.

While all these objectives receive fairly high scores, we can immediately see that they are lower than the global totals. It is especially interesting to look at the responses to the same question last year. While exact comparisons can't be made – some of the responses to the question have changed slightly – we do nonetheless see that, in general, the gap between ANZ and the world total is widening.

The same is true for a further question, which relates to the importance of various aspects of respondents' IT strategies. Again, we see growing distinctions between ANZ's views and those for the survey sample. This tells us that the rest of the world is moving faster in pursuit of its goals than organizations in Australia and New Zealand. However, the region assigns a relatively low level of importance to the implementation of agile and DevOps. Given the outline with which we opened this article, we do find this surprising.

One of the commonest technical challenges organizations currently face in applications development is a lack of end-to-end automation, from build to deployment – and yet the figure for ANZ respondents is markedly lower this year (40%, against a survey total of 63%). This may simply be because the region hasn't yet reached a point at which this has become a significant issue: Australia and New Zealand are still tackling their early steps into agile and DevOps development, and at the time of writing are probably six or seven months behind their peers in other parts of the world. When, in a later question, 38% of ANZ respondents tell us they don't have the right level of test automation, against 28% elsewhere, we can perhaps see this unpreparedness.

Australia and New Zealand are also behind the curve on testing in an internet of things (IoT) environment. Less than a third (28%) of the region's respondents say they have a fairly



mature IoT test strategy, against a survey total of 42%; and far more of them (45%) say they plan to have such a strategy in the near future. This area is not top-of-mind in the region: IoT tends to be more of a priority in industries with significant physical infrastructure, such as manufacturing, and the focus of the Australian and New Zealand economies lies elsewhere.

... and to grow in maturity

The impatience to see progress in agile and DevOps is not yet reflected in the figures. Overall project/team effort allocated for testing in these areas is lower than average. We suspect this is because of the current immaturity of the market; because benefits aren't yet being realized, the momentum hasn't yet built behind the need for change. This also explains why so many ANZ respondents (57%, against a survey-wide figure of 43%), say they have difficulty in identifying the right areas in agile development on which their tests should focus. Reported skills gaps, which are mostly in line with or a little ahead of the global average in this area, are also an indicator that this is a road on which ANZ still has some distance to travel.

All the same arguments can be made for the region's current position in artificial intelligence. This is an area that is still in its infancy, and is one that about which we suspect not too much thought has yet been given.

Given the need for progress in test automation in Australia and New Zealand, we find it really quite surprising that our respondents largely feel less challenged in this area than do people from other parts of the world. Some challenges can be explained. For instance, the reason far fewer ANZ respondents report difficulties resulting from changes with every app release might be simply because there is little activity in this area just now. Similarly, the high

number assigned to challenges with poorly defined project requirements is possibly the result of testing teams being badly briefed by people who are still too inexperienced to understand the ramifications of their requests. But many other challenges, including lower-than-average reported issues with tools and available skills, are something of a mystery to us.

Spending to succeed

The general need to accelerate the pace in QA and testing in Australia and New Zealand is reflected in spending plans. This region tells us that over the next three years, it plans to allocate 29% of its total IT budget to testing, which is above the survey-wide average by two percentage points. What's more, 82% of these respondents report that in recent years, their proportional effort and spend has increased in this area, too.

We have witnessed this shift for ourselves. The need and the determination that we see now weren't present to anything like the same degree five years ago.

This is, in short, a part of the world that is keen to move into line with its peers in the drive towards business-driven quality.



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