COUNTRY ANALYSIS

The Netherlands

WORLD QUALITY REPORT

2011/12

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THE NETHERLANDS

This is an extract from the *World Quality Report* 2011-2012 which presents findings from a global survey completed online by over 1,200 CEOs, CFOs, CIOs, IT directors and managers, and quality assurance (QA) directors and managers around the globe. The goal of this report is to examine the state of application quality and testing practices across different industries and geographies.

The full report can be accessed at www.capgemini.com/testing or www.sogeti.com/testing.

Top Trends

- *High maturity level of Dutch QA profession remains stable*
- *Very mature approach towards metrics and automation*
- *Interest in SaaS and Cloud likely to accelerate*

The Netherlands has a broad and strengthening economy with services accounting for more than half of the national income, including Transportation and Distribution, Banking and Insurance, as well as industrial activity, particularly in oil, gas, and chemicals. With a relatively small domestic market, the Dutch economy is traditionally characterized by international trade, and all major commercial sectors are now present in the Dutch economy. Following the global slowdown, recent Dutch government statistics[1] indicate that the economy in the Netherlands is improving and has recently crossed over to the positive side of the balance.

IT within the Netherlands is mature and, although Dutch enterprises generally exercise tight cost discipline, it is more often considered to be of value or even essential to business rather than an overhead. The increasingly professional procurement practices tend to commoditize IT services, in turn demanding increasing innovation and maturity from suppliers. This approach is adopted by an active Dutch government in its procurement as well as the private sector.

Together with North America, the Netherlands has, in many ways, led the innovation of the testing discipline over the past few decades – a combination of demand-side pressures (particularly the Finance and Telco sectors) and supply-side recognition of the specialization and the value of testing. The roots of testing trace back to the early eighties with the first major publications – including Capgemini Netherlands' own Structured Testing of Information Systems and of course Sogeti Netherlands' own Test Management approach, TMap® – appearing in the early nineties.[2] Testing, in short, is an established profession in the Netherlands and this is demonstrated by the Dutch data within this survey.

*By **Julien Bensaid**, Global Testing Services, The Netherlands, Capgemini*

[1] Dutch Government's Central Bureau for Statistics (CBS), March 2011 http://www.cbs.nl/en-GB/menu/themas/dossiers/conjunctuur/publicaties/conjunctuurbericht/inhoud/conjunctuurklok/conjunctuurklok2.htm

[2] http://www.tmap.net

73% OF THE SURVEY RESPONDENTS USE FORMAL METHODS IN ESTIMATING THE QA EFFORT

Dutch enterprises have a relatively high percentage (compared to the worldwide average) of their own testers working at a location outside the company's main offices – only 34% of respondents indicate that their test resources are located within their own office facilities. Nearly a third (31%) of respondents have between 1% and 25% of their testers in nearshore and offshore locations. A smaller percentage of respondents (13%) have between 26% and 50% of test resources abroad, and a surprising 21% of respondents have over half of their testing resources abroad. We believe that this is explained by the fact that Dutch enterprises have a relatively small local market, so a significant focus is directed outside the national borders.

Dutch enterprises also show a strong local onsite preference (44%) when looking at the ideal geographical location for contracting and/or outsourcing testing activities. The other locations paint a very disparate picture: only 6% of respondents prefer Eastern Europe, 7% outsource to India, 4% of respondents prefer China, and nearly one in five (19%) of respondents prefer nearshore. The Netherlands is fairly in line with the international average for offshoring to India but clearly lags behind the international average displayed by many other regions, notably Eastern Europe and China, as well as the emerging regions such as Australia, South East Asia, and South America. This leads us to conclude that although (or perhaps because) the Netherlands still play a major role in the professionalization and development of the testing discipline, the Dutch appear to adopt a prudent approach to offshoring initiatives.

Where Dutch enterprises do outsource, they outsource one of the highest percentages of the testing strategy, as well as significantly higher than average functional, performance and UAT, indicating a high level of maturity in both outsourcing and offshoring. Significantly, 30% of Dutch enterprises have plans to create a standardized and industrialized TCOE, either on their own or through a third-party provider with the TCOE capability.

The percentage of budget allocated to testing (including testing processes, tools, and resource costs) has not changed much over the last two years. A small portion (6%) of respondents indicates that it has increased significantly and 16% of respondents indicate that it has decreased slightly. The majority of respondents suggest that it has mostly remained the same in this period.

A high level of sophistication is being exercised by many Dutch enterprises in estimating the QA effort required for a project (73% use formal methods), and in how they prove internally that their QA organization is delivering business value (84% have clear methods to support this). This perhaps goes hand-in-hand with the relatively high levels of automation (79% of respondents indicate that they use automation for more than a quarter of their testing). There is also a relatively high percentage of automated QA metrics collected in the Netherlands (almost 50%) compared to the global average of 30%. Again this is evidence of the strong focus on the professionalization of the discipline and focus on demonstrable ROI.

The approach of Dutch enterprises towards SaaS and cloud computing seems to be in line with other countries. One significant difference is in the perception of risk surrounding Interoperability, where the risk perception is significantly lower than many other countries and approximately half that of the international average.

Overall, the survey results indicate that Dutch enterprises have a relatively mature focus on QA and testing. The Netherlands may not be the clear leader in cutting-edge testing innovation, but there are plenty of highlights to be found in the levels of global sourcing, automation, and industrialization, as well as the high levels of sophistication, and the high-end test activities that can be outsourced. The future for QA and testing in the Netherlands seems to lie in the move to even higher levels of these aspects. Dutch enterprises will undoubtedly catch up with the leaders in testing in the cloud and Testing-as-a-Service (TaaS) delivery models, either individually or integrated into mature Managed Testing Services (MTS). This would satisfy both the testing suppliers' and the professionals' search for growth within this evolving IT discipline and the market's increasingly expert procurement practices.

Contacts

We value your comments and ideas. We welcome you to contact us in relation to any questions you might have concerning the 2011-2012 *World Quality Report*.

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Together, Capgemini and Sogeti have developed innovative, business-driven quality assurance (QA) and testing services, combining best-in-breed testing methodologies (TMap® and TPI®) and the global delivery model, Rightshore®, to help organizations achieve their testing and QA goals. Capgemini and Sogeti have created one of the largest dedicated testing practices in the world, with over 8,200 test professionals and a further 12,500 application specialists, notably through a common center of excellence with testing specialists developed in India.

More information is available at:
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