

WORLD QUALITY REPORT

2011/12

AUSTRALIA

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.



Australia is a dynamic market, with a strong, competitive, and industrialized economy, and has managed the global economic recession relatively successfully. It has a strong service sector including financial services, with key exports in energy, manufacturing, and agriculture.

The focus on QA across Australian organizations has increased markedly over the past year, due mostly to negative press coverage received by a number of large Australian private and government organizations. With several major application release failures – a number of them banking related – and the publicity that followed, the profile of QA has been significantly raised. This is evidenced by an increase in budgetary allocation to QA in Australia, with 37% of the survey respondents indicating that their testing budgets had increased.

Australia is also unique in Financial Services IT, with all four top-tier banks considering or actively implementing new core banking platforms. This has generated huge demand for both legacy system and modern core banking package skills, and, with it, increased demand for QA.

Top Trends

- ↗ Focus on QA increases
- ↗ Growing need for testing resources

With organizations demanding increased QA visibility, governance, process improvement, and reporting, Australia is seeing a growing need for testing resources. As a result, more than half of Australian organizations are now using contractors or are outsourcing to meet their businesses testing requirements. With that said, only 42% of survey respondents say that testers are working in a nearshore or offshore location. Australian organizations remain reluctant to move their QA capabilities offshore. This trend is very different in the rest of Asia Pacific, where 90% of organizations show preference for offshoring their testing resources. In Australia, the survey shows that Australian organizations are primarily moving application design and architecture, development, performance testing, and security testing tasks offshore.

By *Nick Finlayson*, Global Testing Services, and *Melanie Brock*, Senior Test Consultant, Australia/New Zealand, Capgemini

37%

OF THE SURVEY RESPONDENTS INDICATE THAT THEIR TESTING BUDGETS HAD INCREASED

With regards to test metrics, 70% of respondents are confident that their QA and testing tools accurately measure the success of the QA function in their organizations. Over a quarter (27%) of respondents use internally developed testing methods to estimate the QA effort, and 31% estimate the QA effort from previous testing experiences. For the most part, larger organizations are utilising QA software to provide more accurate metrics, and there has definitely been an improvement in terms of QA reporting. However, in Australia, what we are still not seeing is reuse of these test metrics after the initial reports have been released, and review of these test metrics post implementation of applications.

While organizations claim that they have confidence in their QA metrics, a quarter of respondents still struggle to prove that testing delivers business value, and only 20% indicate that their QA activities are strongly aligned with the company's business goals. This is relatively low compared with other parts of the world. Where Australia seems to fall short is in the validation of requirements. Requirements are being gathered in-house by internal subject matter experts (SMEs) rather than developed by independent resources.

In Australia, more than 80% of Test Data Management is handled internally, with 20% engaging third-party organizations for delivery. The main requirement is for test data to successfully integrate with the testing tools, and the key focus is on improving the accuracy of test data created.

We are also seeing a slightly slower adoption of cloud computing in Australia – as compared to the UK or North America, with only 40% of respondents suggesting that their companies are migrating to the cloud. The main reason for the slower adoption is the perception of both poor application availability and slower performance when

deployed on the cloud. Other reasons include a concern that the cloud is not easily customizable and that integrating cloud-based and internally hosted systems would be a problem. An additional barrier of entry is that many Australian organizations have already purchased testing tools as perpetual licenses. Therefore, repurchase of a cloud solution is not seen as a cost-effective option. Areas where testing on the cloud does appear to add significant value are performance testing and ad-hoc projects – as opposed to ongoing work programs.

For organizations that are using cloud technology, the main reason for the adoption is the ease of use, lower cost of ownership, and the cloud's ability to deliver a specific business requirement. The survey results also show that cloud adoption is more prevalent in organizations using non-critical applications and standard office applications – as opposed to business-critical applications.

Australia's approach to QA and testing is rapidly catching up with the rest of the world. In 2011, we are already seeing a less conservative approach to testing, as more organizations adopt the cloud and offshore options, and as the exposure and importance of QA within Australian organizations continue to increase.

We believe that companies in Australia will invest further in testing resources in 2011 to ensure that the quality of applications meets expected business outcomes. With the increased demand for testing resources over the next 12 months, and limited testing resources onshore in Australia, more organizations are likely to move to the more cost-effective option of offshoring to India and other Asian countries. These new offshoring practices, however, are going to require stronger communication and better reporting between third-party providers and onsite QA resources.

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:
www.capgemini.com/testing
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