

FRANCE

WORLD 20 QUALITY 13- REPORT 14

TOP TRENDS

- French companies maintain a cautious attitude toward IT spending, focusing their investments on projects that can deliver business value through quick ROI and cost optimization.
- The research shows that 57% of the QA budget is being spent on maintenance work, with just 43% dedicated to new transformational projects – most likely due to recent improvements in the French economy.
- In the near future, more mature organizations are likely to embark on the next level of optimization – “shift left” – while companies that are lower on the maturity ladder will continue to focus on industrialization.

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There is encouraging news recently regarding the Euro area’s return to growth, partially fueled by France – even though the country’s own growth forecasts show a slower rate of improvement. France, Europe’s second largest economy, is under increasing pressure to rein in its public spending deficit to bring it within the EU target ceiling; and companies across all sectors maintain a cautious attitude toward IT spending, focusing their investments on projects that can deliver business value through quick ROI and cost optimization.

Levels of quality maturity vary widely across industries. Sectors such as Aerospace, Energy and Telecoms are known to have a long history of application quality processes, and, despite being among the hardest hit by the financial crisis and decreased IT spending, continue to invest in application quality tools, infrastructure and personnel. Many other sectors, however, are just starting out on the journey of building QA considerations into various aspects of application lifecycle and connecting application quality with business outcomes. Overall, research participants from France indicate that companies spend an average of 22% of their IT funds on QA-related activities. It’s a slight increase from last year (21%) and is consistent with the worldwide average (23%). By 2015, respondents from France predict that their companies will be allocating 27% of IT resources to application quality.

The research also shows that 57% of the QA budget today is being spent on maintenance work, with just 43% dedicated to new transformational projects. The prolonged recession is the most likely cause for the businesses’ reluctance to invest in new projects and the need to realize maximum value from enhancing existing applications. The future business outlook remains optimistic, with respondents forecasting that the share of maintenance work will decrease to 51% by 2015. When the economy in France returns to sustained growth, organizations are expected to ramp up their investments in new technologies that help drive the business – including social media, big data, cloud and mobility, and increasing the share of QA resources that need to be allocated to evaluating the new systems’ reliability and performance.

Cost optimization is also a driving force behind growing levels of QA industrialization among French companies. A third of respondents (33%) indicate that their organizations have centralized the QA function in a single stream. The frontrunners of the centralization movement are once again the more mature industry segments – such as Energy, Telecom and Aerospace. The Public Sector also follows the trend closely, pooling quality and testing activities into service centers. Other sectors, however, are seen to continue to



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struggle with the notion of bringing together traditionally distinct and disparate organizations, including business analysts, development teams and production support. The research data confirms that, across all industries in France, the concept of the Testing Center of Excellence (TCOE) is still in its early stages. Only 9% of IT leaders interviewed for the study report that they have a fully functional TCOE – all via third-party service providers. However, as companies begin to realize the benefits of a centralized approach to testing, the number of TCOEs is expected to grow. Nearly a third (30%) of respondents state that they plan to develop an internal TCOE in the next two years, and an additional 22% state that they will use a third-party provider with TCOE capabilities.

Having consistent and repeatable testing processes across the organization is key to setting up successful outsourcing arrangements. Although, today, only 29% of French companies say that they prefer to outsource some of their Testing services (compared to the global average of 46%), it is likely that as the level of internal QA maturity grows, more companies will engage the services of trusted service providers to help develop cost-effective testing practices. Increasingly, IT leaders realize that testing is a task best performed by dedicated testing professionals, as it requires specific skills in tools, methodologies, environment management, etc. As companies choose to focus on their core business, they are looking to outsource testing to professional service providers who can bring the right technical capabilities, understanding of the local market and industry specifics, as well as methodologies, processes, templates and accelerators that can help clients realize the most value from their QA investments.

Deployment flexibility, cost savings and accelerated time-to-market also fuel the growing trend toward Cloud adoption. Almost one in five (19%) of French research participants states that their organizations are currently hosting applications in the Cloud – similar to the global average of 20%. Data security and performance are still perceived as the main barriers for Cloud adoption, although the outlook for cloud technologies remains positive, with respondents expecting over a quarter of all applications (26%) to be migrated to the Cloud by 2015. The concept of using the Cloud as a testing platform is attracting both mature and growing organizations. Companies with established QA practices are looking at the Platform as a Service (PaaS) option as a solution for managing peak activity periods – while less mature organizations find the PaaS offering to be beneficial for reducing testing software and infrastructure costs.

Another area of potential growth in France is Mobile Testing. Although businesses are aware of the need to test the functionality and performance of their mobile offerings, few have the required resources, devices, skill sets, methods and tools to perform mobile testing. Less than half of respondents (47%) say that they currently test mobile applications and devices. However, with the growing demand for mobile applications and their critical business role, more companies are likely to recognize the need for mobile testing and invest in resources and partnerships to develop consistent mobile testing strategies.

In the near future, the more mature organizations in France are likely to embark on the next level of optimization – “shift left” – while companies that are lower on the maturity ladder will continue to focus on industrialization to make testing expertise available across the organization and help support testing processes via automation and tools to improve efficiency.

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33%

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