WORLD QUALITY REPORT

FRANCE

Edouard Zazempa
Head of Testing
Sogeti France

Top Trends

- French IT spending priorities continue to be dominated by cost-saving and supporting organic growth.
- In 2014, the share of QA and Testing budget allocated to maintenance work has decreased from 57% to 49%, freeing up more than half of the QA and Testing spend to focus on new development initiatives.
- A growing number of French companies are turning to industrializing and consolidating their QA and Testing activities.

In contrast with last year, when overall IT budgets in France experienced near-zero growth, this year, organizations are once again beginning to invest in IT, funding new projects and development initiatives. From an architecture standpoint, French companies and public sector organizations are focused on optimizing their IT systems based on the concept of reusable services architecture. For applications, the main goal is to build systems that can support the all-channel customer experience, providing consistent and reliable services through a combination of traditional, online and mobile interfaces. Half of French IT executives interviewed place cost optimization through process and technology advancements among the top two priorities for their IT departments, followed by 43% who identify the launching of new products and platforms and enhancing existing products among the areas of the highest importance.

The trends in Quality Assurance (QA) and Testing reflect the cost-saving and optimization priorities, as companies look to maximize business value out of their QA and Testing service engagements, and find ways to deliver applications more efficiently and in less time by improving their quality processes and methods. The 2014 research shows that French companies allocate approximately 24% of their overall IT budgets to QA and Testing. The share of QA and Testing budget proportionate to the IT spend has been slowly rising over the last three years, increasing from 21% in 2012, to 22% in 2013, to 24% in 2014. Although it is difficult to estimate precisely the amount of money spent on quality-related activities throughout the application lifecycle, the continuous increase in the proportion of QA and Testing budget can be explained by several factors. First, as the overall IT spending returns to growth, companies are investing more in application quality to support new initiatives. In 2014, the share of QA and Testing budget allocated to maintenance work has decreased from 57% to 49%, freeing up more than half of the QA and Testing spend to focus on new development initiatives. Among new development projects, cloud initiatives account for 31% of the testing budgets allocated for new development projects, followed by mobility and big data (18% each), analytics, and social media (17% and 15% respectively). Secondly, the new projects require new testing tools and skills and testing expertise. The increase in the proportion of the QA and Testing budget allocated to human resources (from 21% in 2013 to 32% in 2014) and tools (from 24% in 2013 to 35% in 2014) suggests that companies are increasing their investment in personnel – both in-house and outsourced – and tools to meet the new demand.

In order to free up budget to focus on new development initiatives, a growing number of French companies are turning to industrializing and consolidating their maintenance-related activities. The 2014 research data shows a significant increase in the number of fully functional Testing Centers of Excellence (TCOEs) among French companies. While in 2013, only 9% of the French senior IT executives interviewed reported having fully operational TCOEs, this year 26% state that they have a fully operational TCOE either run internally or via a third party. A further 55% of respondents state that they have plans to develop a TCOE in the near future, or have already started laying the foundation for an industrialized testing center. The increased interest in centralization is not uniform across all industries in France. Energy and Utilities, Financial Services and Telecom companies appear to be among the leaders in

implementing TCOEs, while some of the other sectors are still struggling with finding ways to consolidate testing processes, methods and metrics across the organization.

The 2014 data also shows an increase in the percentage of outsourcing engagements. In 2013, only 29% of French companies reported involving third-party service providers in their QA and Testing activities, while this year, 71% of QA and Testing projects are completed in collaboration with third-party service providers. Organizations use a variety of engagement models – from staff augmentation and fixed-capacity services (35%) to co-managed testing activities (17%) and managed service engagements (19%). An increasing number of French companies are taking advantage of cost-saving opportunities attainable by outsourcing the QA and Testing function to a specialized service provider and consolidating the number of service providers to build relationships based on common business goals.

Having an industrialized testing center or outsourcing the testing function to a service provider doesn't necessarily translate into QA and Testing being centralized into a single stream across the organization. Depending on the nature of the business, the application delivery methods, and the need for collaboration between teams, some testing teams find it more beneficial to be closely aligned with the business units than establishing a central QA and Testing organization. The 2014 research data shows that many French companies continue to fine-tune their QA and Testing organizational structure: In 2013, a third of the senior IT leaders interviewed in France reported having their testing function centralized in one stream across the organization, while only 8% stated that their QA and Testing function was highly decentralized. In 2014, the share of reported centralized QA and Testing organizations has decreased to 29%, while

the proportion of highly decentralized teams has risen to 13%. However, the majority – 32% of respondents – state that their organizational structure reflects a combination of centralized and decentralized teams, allowing for better alignment with the business and the outsourced partner.

This preference is also influenced by increasing adoption of agile methods driven by the focus on new development initiatives (including SMAC technologies) requiring faster time-to-market. In 2014, 89% of respondents state that they use agile methods, compared to 79% in 2013. Although fewer than the global average, French organizations still face challenges in agile testing: The biggest are lack of a suitable testing approach to agile environments (53%) and inability to apply test automation at appropriate levels (38%).

Perhaps not surprisingly, cost optimization also is a strong driver behind the adoption of cloud-based testing. In 2014, research participants report that 31% of their applications are being tested using cloud-based infrastructure – an increase from 26% in 2013 and equal to the worldwide average. The ability to quickly set up test environments and have the means to test for peak capacity periods without having to maintain excessive infrastructure is driving the rising interest in cloud-based testing and Platform as a Service. Research participants predict that by 2017, as much as 46% of all applications will be tested in the Cloud.

Strong growth is also observed in the area of mobile testing. In this year's research, nine out of 10 participants state that they are testing mobile applications and devices, compared to 47% in 2013. The French IT executives interviewed also cite fewer concerns with mobile testing than the global average, suggesting that organizations are developing stronger mobile testing practices – both in-house and through specialized third-party service providers.

HP CONTACT
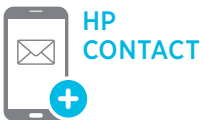
Toby Marsden
EMEA ALM Business Leader
HP Software
toby.marsden@hp.com
+44 7867 526374