

PRESS RELEASE

New study by IT analysts: International Software Testing Survey

Software testing at many companies is poorly organised

Cologne/Munich, 9 April 2008—The great majority of European companies do not question the importance of software testing as an essential part of a successful and efficient business. However, at the same time there is little transparency in most organisations as to the resources they use for this purpose. This is shown by the latest study, the International Software Testing Survey, by the IT analysts at Pierre Audoin Consultants (PAC).

The survey covered 13 countries, questioning 1,030 management experts and technical specialists. About two-thirds (65 per cent) stated either that they view software testing and the associated tools as a crucial investment in IT products or that testing increases the economic efficiency of software production or provides true added value. Only nine per cent refer to this form of quality assurance as a “necessary evil”.

Majority unaware of their own software testing costs

For many, however, this appreciation of the worth of testing has so far not resulted in the use of managed and transparent test procedures: more than a third of those questioned (35 per cent) do not know what proportion of all their IT staff are full-time testers. When asked about the proportion of part-time testers, as many as 54 per cent could not give an answer. There is also a widespread lack of clarity regarding the costs associated with software testing: 65 per cent of the respondents were unable to quote a figure. This lack of transparency can be partly explained by the fact that 34 per cent do not have a separate budget for quality assurance.

From this, the analysts at PAC draw the conclusion that investment in systematic software testing continues to make a difference and consequently can create competitive advantages. PAC analyst Kerstin Dirtheuer is convinced: “As IT production processes become increasingly industrialised, there are more and more specialised quality assurance staff. As well as that, testing boosts the cost-effectiveness of software production, because the cost of retrospective correction of software flaws is significantly higher than expenditure on soundly based test work performed early on in the sequence.”

Drivers for the software testing market include IT systems that have been delivered to the customer but continue to be affected by errors. 51 per cent of those surveyed indicated that the software that they have already put into operation always (4 per cent), often (10 per cent) or sometimes (39 per cent) suffers quality problems. Only 20 per cent of the participants in the survey had so far never had negative experiences of this nature.

30 per cent with experience of test outsourcing

PAC found considerable agreement on the question as to whether testing should be independent of development. 65 per cent of the respondents think this is the case. At present this independent role is mostly taken on by in-house teams, namely at 66 per cent of companies. 30 per cent, on the other hand, have experience with external test service providers, and 13 per cent have also gone down the route of offshoring. This low-cost alternative of transferring quality assurance overseas is still in its infancy, but the outsourcing business in software testing is registering high rates of growth. 34 per cent of the companies want to invest more in external test service providers in future. This intention was expressed in particular by those questioned in Sweden and Denmark (63 per cent) and in the United Kingdom, Ireland and South Africa (60 per cent). In Germany, Austria and Switzerland 21 per cent were of this opinion.

There is also considerable market potential opening up for providers of specialised test tools, as until now only just under a third of the companies (32 per cent) have been using these to check their IT systems. Moreover, 39 per cent have already decided to direct additional investment into special-purpose professional solutions of this type in the coming years.

The survey of the market and practice of software testing is the second one that PAC has conducted on this topic. On behalf of SQS Software Quality Systems AG, the analysts evaluated the responses from 1,030 participants in twelve European countries plus South Africa in January 2008.

SQS Software Quality Systems

SQS is the world's largest provider of software quality management and testing services with the focus on Europe. Based in Cologne, Germany, SQS employs around 1,000 people in its branches throughout the world—including the United Kingdom, the Netherlands, Switzerland, Austria, Ireland, Egypt and South Africa. SQS also has a minor stake in an operation in Portugal and a cooperative agreement with a company in Spain. In 2007 SQS generated sales of 121.1 million euros.

SQS is the first German company to have a primary listing on AIM (Alternative Investment Market) in London. SQS also has a secondary listing on the Open Market of the Deutsche Börse (German Stock Exchange) in Frankfurt am Main.

With over 4,000 successfully completed projects behind it, SQS has a strong customer base including half of the DAX 30 companies, nearly a third of the STOXX 50 companies and 36 companies in the FTSE-100. They include names like Dresdner Bank, Barclays, Deutsche Telekom, BP, Daimler and Airbus, and various other enterprises from all business sectors.

Further information is available at: www.sqs.de

Pierre Audoin Consultants (PAC)

PAC is the leading European consulting and market analysis firm for the **Software and IT Services Industry (SITSI®)**. PAC advises technology providers and users on the planning, development and implementation of successful market strategies in Europe and the USA. Market studies and subsequent consulting services arising from the findings are part of the services it offers.

From its headquarters in Paris, PAC has served over 300 customers around the world for more than 30 years. Its customers are supported through a specialised local network with offices in Munich, New York, London and Bucharest and through partners in Italy, Tunisia, Latin America (Mexico, Argentina, Brazil) and Asia (Australia, China, India, Japan, Pakistan and Singapore). The company has been represented in Munich since 1989.

Further information is available at: www.pac-online.com.

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