Case Study

Infosys®

Testing Center of Excellence enables global bank to reduce cost of testing by 45%

A global bank faced with the challenge of disparate IT systems, inherited by acquisitions, adopted Infosys' Testing Center of Excellence to improve the effectiveness of its testing services. This shared services model, spanning multiple locations, enabled it to enhance business value and reduce cost of operation.

The Client

The client, a top 20 global bank based on tier 1 capital, operates in 52 countries across the world. It serves customers in four principal segments: Personal Banking, Private Banking, Business and Commercial, and Corporate and Institutional.

Business Need

The client grew inorganically by acquiring local banks in different geographies. By inheriting their disparate systems, its IT infrastructure had a number of "silos". The IT system across the bank was controlled by different management teams, focused on individual units, and had no strategic resource sharing plan.

The client was incurring high IT costs and faced various compliance issues due to these silos. The client wanted to improve time-to-market and better serve the technology needs of its business lines by improving the effectiveness of IT support.

The Challenges

As a part of the company's strategic initiative, it was decided to break the existing silos of IT operations and move to a shared service model. Testing was identified as one of the focus areas for the shared services model to address the challenges of:

- Large testing needs, but no central organization dedicated to testing business critical applications
- No common understanding of testing processes and methodologies, leading to sub-optimal resource usage
- Lack of clear understanding on the value of structured testing in the business units
- Silo-centric methods and lack of discipline in testing resulting in high costs
- Project-based testing, by contracting 120 different IT services subcontractors or summoning resources from other groups
- Project-specific testing methods
- Resources existing in silos, skilled only in specific testing applications

Infosys' approach

Infosys partnered with the client to institute a Testing Center of Excellence (TCoE) that spanned multiple locations. The program was initiated in North America in late 2003. The program involved:

- Gap analysis of the existing testing frameworks by conducting interviews and analyzing testing artifacts
  - Identifying strengths, gaps and areas of optimization
  - Benchmarking against industry best practices
  - Providing a roadmap for implementation, evaluation and refinement
- Implementing a TCoE using Infosys' testing framework
  - Defining the vision and building the framework for the TCoE
- Effectively managing multiple vendors
  - A structured program management approach to manage multiple vendors and transitioning testing activities to Infosys
- Domain Knowledge Acquisition
  - Intensive training programs and certifications were conducted for the team members to ensure better understanding of the business
- Documentations & Process Improvements
  - Creating and updating documentation and regression test cases to reflect all changes, by analyzing the systems
- Productivity Improvements
  - Automating regression testing to enhance productivity
- Knowledge Management
  - A knowledge management process is put in place, with defined templates for knowledge artifacts. Weekly open house sessions discuss domain related topics to enhance skills.

Piloting TCoE

The TCoE was piloted in three of the client's principal lines of business — Personal Financial Services, Commercial Banking Services and Transaction Banking Services. Simultaneously, key performance metrics were defined and a client feedback mechanism established. On the basis of the results of the pilot TCoE, the program was gradually expanded across all business lines and geographies.

Over a period of three years, the scope of the Testing Center of Excellence expanded from:

- Functional testing to regression testing, test automation and performance testing. The TCoE first expanded to perform automated regression testing to solve a problem that the client was addressing with inadequate regression testing.

- Two lines of business and 5 projects to six lines of business and 92 projects across multiple geographies

Best Practices adopted

Requirements Traceability	Complete traceability from Test Requirements, Test cases and Defects maintained in Requirement Traceability Matrix (RTM)
Test Program Management	Implemented a structured program to capture and manage the testing process based on data. Metrics like Quality, Productivity, Effort and Schedule deviation are monitored at each milestone. Defects analysis is also done on the data from each Release.
Knowledge Sharing	Conducting open house sessions and creation of knowledge portals to share best practices within and across projects.
Customer Feedback	Periodic reviews and regular customer feedback to ensure that the program is on track and customers satisfied.

Benefits

The Testing Center of Excellence enabled the client to scale up existing testing services and offer new services with higher quality, shorter delivery time and reduced cost.

Improved Quality of Deliverables

The TCoE led to improvements in quality of service through near-zero defect delivery. Over 99% of the defects in the system were detected before the systems went live. Improved quality of software led to higher customer satisfaction.
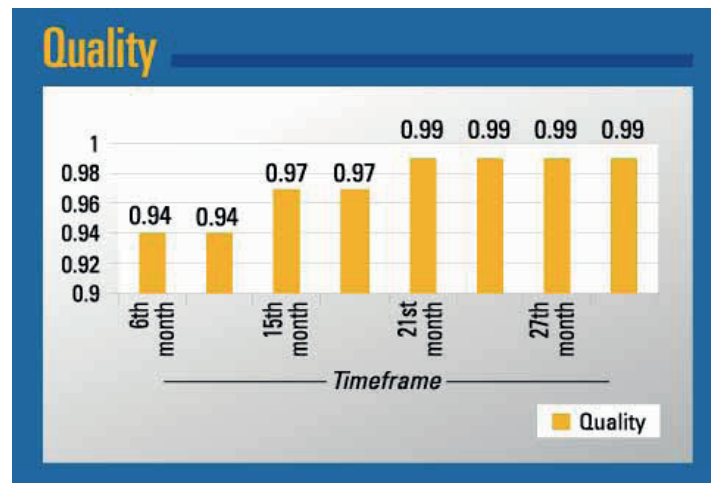
Cost Savings

Infosys' TCoE helped the client reduce testing costs by 45%. Further, economies of scale lead to decreasing incremental unit costs.
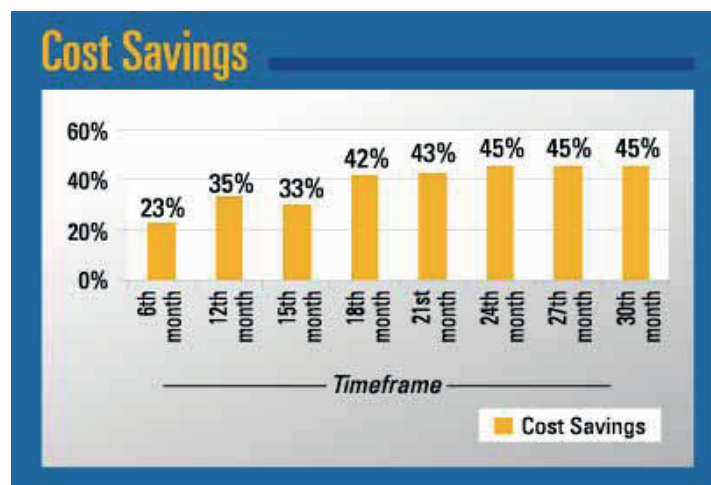
Scalable Management Approach

The scalable team structure, governance mechanism and reusable processes were replicated for all TCOE initiatives across the organization.

Enhanced Productivity

Reusable artifacts, knowledge assets and processes helped to improve team productivity. About 5% of the annual savings occurred via efficiency gains.

Time-to-market

Effective usage of automated testing tools and continuous improvement of operations, enabled by the TCoE model, lead to 70% reduction in regression testing cycles for some applications. This helped to reduce time-to-market of these applications.

Overall, the Testing Center of Excellence strategy enabled the client to achieve operational excellence and enhance business value. These contributed to quantifiable improvements in customer satisfaction levels.

> Satisfied with the results of Infosys' strategy, the Senior Vice President and Head of TCoE of the client remarked:
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> "Infosys has established itself as one among the top tier companies. It has also operated in that fashion across different projects in TCoE".

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For more information, contact askus@infosys.com

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