



SQS Software Testing Vendor Assessment Report Abstract

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18 pages





Who Is This Vendor Assessment For?

NelsonHall's Software Testing Vendor Assessment for SQS is a comprehensive assessment of SQS' software testing offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of software testing and identifying vendor suitability for software testing
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the IT services sector.



Key Findings & Highlights

Germany-headquartered Software Quality Systems (SQS) was founded in 1982. Since the acquisition of AppLabs by CSC in 2011, SQS has become the largest software testing pure-play in the world in both revenues and headcount.

In its H1 2012 results presentation, SQS announced a bold growth strategy and discussed. This new strategy include a change in its service mix. The company has in the past four years focused on growing its Managed Services activity, expanding from its traditional T&M business to target multi-year contracts. The uptake in Managed Services has been very quick: 33% of total SQS revenues in H1 2012; 2009: 3%.

The company has now decided to split its professional services into two major units, which remain focused on short-term contracts:

- **Regular Testing Services:** a testing staff augmentation business. SQS is to lower the relative share of this business to 35% in the mid-term. The company is to achieve this by taking a strong profitability-based view of its contracts and by not pushing this offering as hard as others
- **Specialist Consultancy Services:** a consulting unit which include QA services, specialist services e.g. SAP and Siemens PLM Software services and a management consulting with its origins in Austria operating largely in the insurance sector.

Contents

1. Background
2. Financial Summary
3. Key Offerings
4. Delivery Capabilities & partnerships
5. Target Markets and strategy
6. Strengths & Challenges
7. Outlook

Scope of the Report

The report provides a comprehensive and objective analysis of SQS' software testing offerings, capabilities, and market and financial strength, including:

- Analysis of the company's offerings and key service components
- Revenue estimates
- Identification of the company's strategy, emphasis and new developments
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.

Report Length

18 pages

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Software Testing Vendor Assessments:

Published: Atos, Maveric Systems, MTP and Steria.

Forthcoming: Amdocs, Capgemini, CSC, HP, IBM, Mahindra IT and Syntel.