



Test Center of Excellence

AppLabs has been a pioneer and thought leader for years in Test Center of Excellence (TCoE) model. A TCoE is a centralized testing model that brings together people and infrastructure into a shared services function for standardizing processes and optimizing resource

utilization in order to generate supernormal benefits across the organization. TCoE can accrue many benefits to an organization in terms of improved quality, faster time to market, and lower cost. AppLabs' TCoE is delivered using its proprietary SCORE methodology.

Customer Speaks

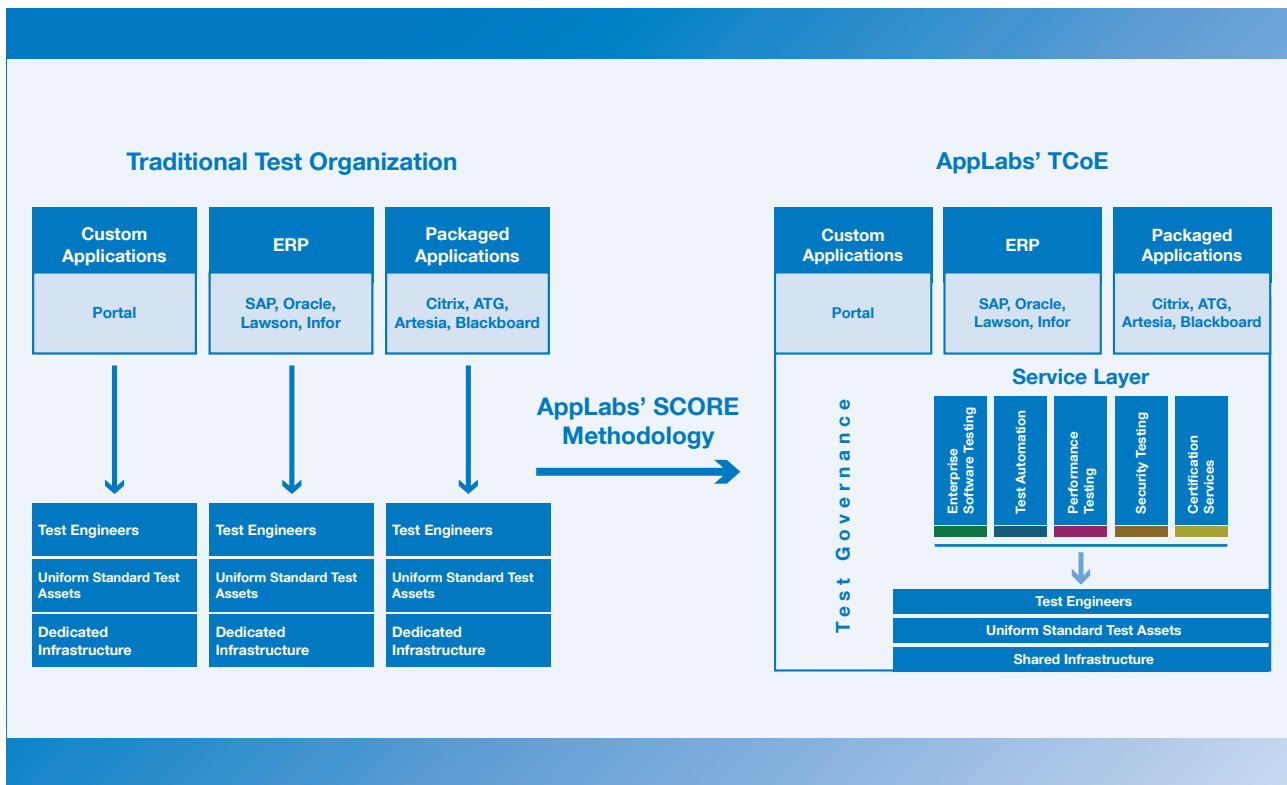
on AppLabs' Services

“The work we are doing with AppLabs in terms of the creation of a Test Center of Excellence is of strategic importance to our business. Over the months we have been working together we have formed a very close partnership, and we are able to trust AppLabs to deliver the ideas and solutions we need.”

Peter Bates, Manager of Development Support Services, FRIENDS®



TCoE Services Summary



The SCORE Methodology

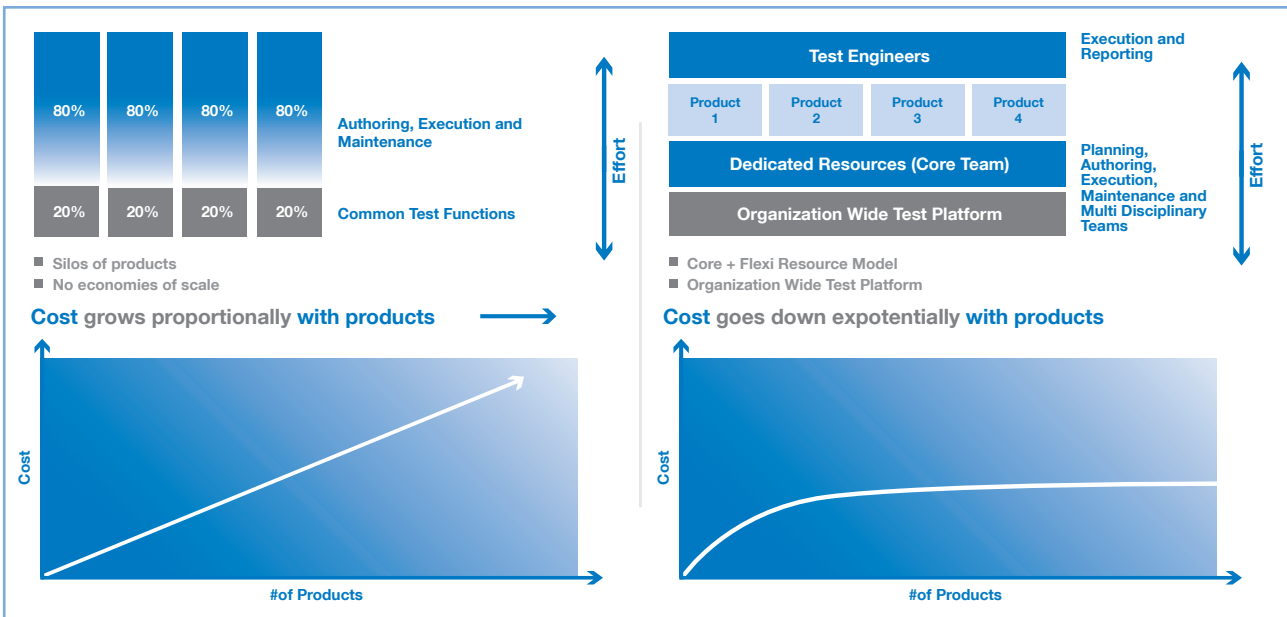
AppLabs proprietary methodology for setting up a TCoE is simple, yet powerful. The SCORE Methodology is a proven approach to implementing a TCoE in a conservative manner, one well defined step at a time.

Standardize **C**entralize **O**ptimize **R**eview **E**xpand

Standardize: A root cause of testing inefficiency is multiple different processes being used by various testing groups in an organization. This inefficiency produces inconsistent results, prevents effective communication between different groups, and makes it difficult for senior management to understand where things are going well and where they are not. Standardization of processes yields immediate benefits of predictability and is a good first step to take without introducing risk to your existing testing operations.

Centralize: Large enterprises often have many test environments, various different testing tools, and separate environment support groups with different policies. This differentiation across groups leads to poor utilization of test assets, high support costs, and inefficiencies in tracking and managing test assets. Centralization of test assets and creation of a centralized testing infrastructure management group leads to an immediate improvement in asset and resource utilization and significant cost savings.

Optimize: Standardization and Centralization opens the door to major optimization opportunities. Opportunities for optimization include rationalization of test infrastructure by leveraging various virtualization techniques, reduction in licensing costs by leveraging under-utilized software and skills sharing across test teams, and much more.

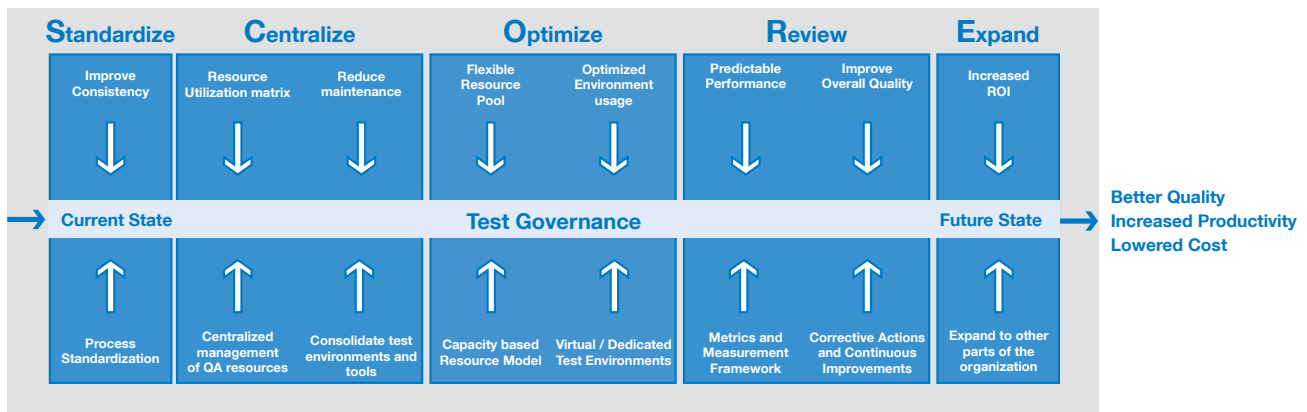


Review: An advantage of the steps taken so far as part of the SCORE methodology is that an enterprise is now in a position to provide senior management with the kind of data and information they have never had access to in the past. We can now deliver clear insight into:

- ▶ Executive Dashboards with real time status of all the projects in the current release cycle
- ▶ Aggregated views of overall costs incurred for testing
- ▶ Quality Trends (Post Production leakage, defect volume and density)
- ▶ Productivity Trends

Expand: Once the TCoE concept has been proven with a few applications or across a few business groups, AppLabs can then add other applications and groups to the TCoE. A gradual expansion of the TCoE ensures that the benefits of the initial steps are being realized before additional steps are taken and more people are brought into the TCoE fold. Every few months (or whatever period is agreed to in the initial TCoE implementation plan) there will be a demonstrable ROI that shows that all of the TCoE benefits are obtained at practically ZERO cost to the organization.

Test Center of Excellence



Success Story



FARMERS®

Client Overview

Founded in 1928, Farmers Insurance is a leading insurance underwriter in the US, serving more than 10 million households and 17 million policy holders. Farmers operates in 41 US states, and has more than 50,000 agents who help Farmers reach out to its clients.

Engagement Overview

Client Situation: Like most insurance firms, technology plays a critical role at Farmers. The IT environment at Farmers consists of a numerous applications including those for prospecting, sales, agent handling, underwriting, policy servicing, intranet etc. Farmers uses an in-house technology group as well as a number of third-party suppliers for a wide array of IT applications services. While software testing was traditionally performed by a combination of the in-house team and external suppliers (that performed development services), over time, Farmers realized the need for an independent testing specialist to improve the quality and robustness of the service.

Scope: In late 2007, Farmers decided to pilot with AppLabs for testing a key business- related application. Impressed by the results shown by AppLabs Team, Farmers increased AppLabs involvement in a number of projects involving core and non-core applications. While AppLabs started with a 10-15 member team in 2007, the team grew considerably over a period of time (reaching peak strength of about 80 FTEs). In addition to testing for numerous applications, AppLabs is also assisting Farmers Insurance in developing a Test Center of Excellence (TCoE).

Rationale for Selecting AppLabs

Independence: In order to bring objectivity in testing, Farmers wanted an independent entity to improve the quality and robustness of the applications.

Specialist focus: Unlike other IT services players that offered testing as an allied service, AppLabs was a company that specialized in testing (ie. considered testing a job and not a hobby).

Skills and Frameworks: Given its sole focus on testing, AppLabs demonstrated expertise of its workforce in coming up with the robust and innovative methods for different types of testing. Further, it offered unique frameworks and tools for testing and exhibited commendable credentials in its ability to do different types of testing.

Cost Advantage: An independent testing service provider like AppLabs was able to offer comparable/ better cost economics, given the robustness of its testing and reduced time for applications to become fully functional.

Key Benefits

Farmers Insurance has reaped the benefits of engaging AppLabs across all three fronts – people, process and technology.

People: AppLabs offered skilled and motivated testing experts and also provided flexibility to ramp up or down aggressively to meet the project requirements.

Process: Farmers witnessed significant improvement in the testing processes. For example, for a particular functional application, warranty defects reduced by 80-85% and test process errors reduced by – 90% in the first year of AppLabs' support.

Technology: AppLabs offered unique testing frameworks, tools, and methodologies as well as the ability to work on different types of technologies – an offering not matched by other suppliers.

"AppLabs brings significant expertise and unique testing methodologies. It has a highly motivated and talented workforce and offers flexibility in its team deployment. Overall, I am a satisfied customer and AppLabs is a great company to work with."

**Srinivasa Parthasarathy,
VP, Application Development and CTO,
Farmers Insurance Group.**