

CASE STUDY

Improved Efficiency and Significant Cost Savings through a Flexible Managed Services Model



Abstract

Infosys partnered with a leading global insurance provider to set up a global Testing Center of Excellence covering their entire range of testing needs. We transitioned the engagement from a project-based QA model to a managed services model with flexible pay-per-use pricing. Our solution helped the client transform their testing environment and achieve significant cost reduction with savings of up to 12%. With test effectiveness of over 99%, the client also gained from efficiency improvements through standardization, automation, reusability, and the use of proven methods and tools.

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Client Details

The client is a leading wholesale provider of reinsurance, insurance, and other insurance-based forms of risk transfer with revenues of over US\$26 billion and total asset size exceeding US\$225 billion. More than 10,000 employees serve their global client base of insurance companies, mid- to large-sized corporations and public sector organizations. From standard products to tailor-made coverage across all lines of business, they provide capital, expertise, and innovation to enable risk taking for the growth of enterprise and societal progress. The client is based in Switzerland with offices across the globe.

Business Context

A difficult economic environment was exerting severe cost pressures on the client's IT operations. Their primary requirement was to reduce the total cost of testing without affecting quality. To achieve this, they wanted a partner that would share risks and drive innovation. To transform their testing methods, approach and scope, the client required:

- Testing coverage across technologies, applications, and geographies
- Standardization of testing tools and processes
- A proven quality assurance (QA) partner that could provide managed QA services





Infosys Solution

The Infosys team had, over the years, established a strong presence in most of the client's critical business units. We were already providing testing services for their core business applications, back office and other IT systems. In addition to expanding the scope of our testing services, the client also chose us as their preferred QA services partner with a mandate that included applications developed by other vendors.

Based on the client's requirements, we provided a three-year flexible pricing engagement. As part of the solution, we set up a global Testing Center of Excellence

to cover their entire range of testing needs. The center utilized our extensive testing knowledge and resources to cover over 90 applications across the US, Europe, and India. Along with the client, we jointly defined parameters that helped classify requirements by complexity and quantify them as work units. We also evolved a rate-per-work unit based on the complexity of the work, providing additional pricing flexibility.

Infosys transitioned the engagement from a project-based QA model to a managed

services model with flexible pay-per-use pricing. We also adopted a unit-based pricing approach for methodologies (Waterfall, Agile, etc.) as well as a risk-based testing methodology wherever required. An easy-to-use and reusable rules-based test automation framework along with a number of tools including an Excel comparator, data set up tool, and a return on investment (ROI) tool enabled the client to accurately measure the business value gained from our testing solution.

How we Deliver Value?

Domain Knowledge



- Leveraged the expertise of our business analysts during the initial stages of the engagement
- Used a structured knowledge management approach that included industry reference models and artefacts
- Internal domain certification programme for every staff member

Managed Service



- Converted offshore services to managed services, resulting in 13% cost savings during the first year
- A flexible resource pool was used to manage peak times
- Successfully executed Agile testing engagements

SLA and Metrics



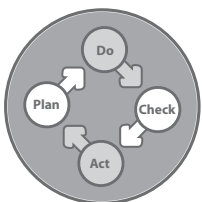
- Introduced several key processes including data capture, test management, and defect management through the quality center
- Utilized a risk-based testing methodology
- Developed an SLA-driven outcome approach

Automation Testing



- Implemented ROI-based automation testing
- Successfully completed automation of multiple applications, resulting in cost reduction per application
- Leveraged up to 70% reusable components across projects

Process Focus



- Used standardized templates and checklists for different phases of testing lifecycles
- The combination of tool usage and reuse capabilities led to productivity improvements of up to 30%



Benefits Delivered

The Infosys solution helped the client transform their testing environment and achieve significant cost reductions. They also gained from efficiency improvements through standardization, automation, reusability, and the use of proven methods and tools. The key benefits included:

- 1. Total cost of testing reduced by 12%** through productivity improvements and reuse
- 2. Positive returns on the overall testing spend with ROI-based testing** using standardized test processes
- 3. Established a one-stop-shop covering all testing needs** including manual testing, automation, performance, and test consultancy
- 4. Improved test effectiveness to over 99%** by servicing over 200 application releases without any major production issues
- 5. Ensured on-time delivery** as per the agreed schedule



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