



HCL Technologies Software Testing

Vendor Assessment
Report Abstract

February 2015

By Dominique Raviart
IT Outsourcing (ITO)
Research Director
NelsonHall

15 pages

research.nelson-hall.com





Who Is This Vendor Assessment For?

NelsonHall's Software Testing vendor assessment for HCL Technologies is a comprehensive assessment of HCL's software testing offerings and capabilities designed for:

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

Key Findings & Highlights

HCL Technologies (HCL) was founded in 1991 and is a 66% owned subsidiary of HCL Corporation. It is headquartered in Noida (Uttar Pradesh, India) and is listed on the Indian National Stock Exchange (Mumbai). HCL Technologies is the fifth largest Indian-centric IT and BPO services vendor, and one of the three fastest growing.

In its fiscal year (FY) 2014 which ended June 30, 2014, HCL Technologies had revenues up 14% to ~\$5.4bn. HCL Technologies has ambitious growth goals and wants to reach \$10bn in revenues by FY 2016. Headcount, as of September 30, 2014 is 95.5k.

HCL created its independent verification and validation services (IV&V) practice of full time career testers in 1999, during Y2K preparation projects. HCL's IV&V practice had a background in providing testing services for its product engineering service unit, which itself is the background of HCL Technologies.

In calendar year (CY) 2012, HCL made a very significant organizational change by grouping together into its IV&V unit its full time testers from other business units, e.g. EAS, engineering and R&D services, and custom application services. Following the reorganization, HCL Technologies also renamed its IV&V practice as Enterprise Quality Services (EQS).

In CY 2014, EQS changed its name to Business Assurance & Testing Services (BATS), to reflect its service portfolio shift towards QA and business outcome based services. BATS is a horizontal line within HCL. BATS increased its career tester headcount very significantly: from ~2.5k to ~10k in CY 2012, and headcount is now ~12.6k.

In addition to the 12.6k career testers in its testing practice (14% of HCL's total headcount), HCL has another ~2.2k business analysts, who spend ~60% of their time in functional testing and other services (including SAP and ERP functional analysis), and 40% on testing.

Scope of the Report

The report provides a comprehensive and objective analysis of HCL Technologies' 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.



Contents

1. Background
2. Revenue Summary
3. Key Offerings
4. Delivery Capability and Partnerships
5. Target Markets
6. Strategy
7. Strengths and Challenges
8. Outlook

Report Length

15 pages

Report Author

Dominique Raviart

dominique.raviart@nelson-hall.com

Vendor Assessments Also Available for:

Accenture, Atos, Capgemini, Cigniti, EPAM Systems, HCL Technologies, Maveric Systems, Mindtree, QualiTest Group, SQS, and Syntel.