



# **Virtusa (inc. Polaris) Software Testing**

**Vendor Assessment  
Report Abstract**

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## Who Is This Vendor Assessment For?

NelsonHall's Software Testing Vendor Assessment for Virtusa (including Polaris Consulting and Services) is a comprehensive assessment of Virtusa'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

Virtusa was founded in 1996 and is headquartered in Westborough (Massachusetts). The company has a delivery network centered around India and Sri-Lanka. In CY 2015, Virtusa had revenues of ~\$555m. Headcount at the end of FY 2016 was 18,226.

Virtusa is a high growth company, having enjoyed over 20% revenue growth in each the past five years. Clearly, it prefers size and scale over high profitability: its operating margin in Q1-Q3 FY 2016 was 9.3%, well below the operating margin of traditional India-centric vendors. In line with this growth strategy, Virtusa acquired 51.7% of the capital of Polaris Consulting and Services, for \$166m in cash, in March 2016. Since the acquisition, Virtusa has rebranded as VirtusaPolaris.

Testing is one of VirtusaPolaris' seven main service lines through its independent validation services (IVS), along with business process management, enterprise information management, customer experience management, mobility, cloud computing, and business consulting.

IVS has 4k career testers, of which 2.2k are from Virtusa standalone and 1.8k from Polaris.

IVS' background can be traced back to Virtusa's software engineering heritage. The practice subsequently expanded its client base to BFSI, with strengths in capital markets (including trading), and life and healthcare insurance.

## Scope of the Report

The report provides a comprehensive and objective analysis of VirtusaPolaris' 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.



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## Report Length

12 pages

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