DXC Technology
Software Testing Services:
Advanced Automation

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Software Testing Vendor Assessment for DXC Technology is a comprehensive assessment of DXC's next-gen testing service 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

DXC Technology has put its testing capabilities within its Application Services business unit. The Application Services business unit is sizable: it employs 50k professionals and serves 1k clients. The priority of Application Services is to shift its portfolio towards digital. To achieve this positioning, Application Services has a two-folded strategy: defend its core application management capabilities, which employ 35k personnel, and pivot its offerings towards next-gen offerings and digital.

The acquisition of Luxoft in 2019 has strengthened the application service capabilities of DXC in particular around digital and the BFSI (mostly, capital markets, with major clients including UBS, Deutsche Bank, and Credit Suisse) and automotive industries (with services across application services and ER&D).

Within its Application Services business unit, DXC has three practices:

- Testing and Digital Assurance (TDA)

- Application development

- Application management.

TDA is a formal horizontal line within Application Services, with its own P&L, responsibility for service portfolio and IP, and delivery organization.

The TDA organization has gone through many changes during its tenure as part of EDS, HPE Enterprise Services, and CSC. Two significant acquisitions in the QA space were, however, RelQ Software by EDS in 2007, and AppLabs by CSC in 2011. At the time of its purchase, Hyderabad-based AppLabs was the most significant software testing services pure-play with 2.5k personnel and revenues of ~$100m.

Luxoft completed the capabilities of TDA mostly around digital testing, e.g., blockchain and UX testing and around test data management. The company, however, did not have a standalone testing services practice but had QA capabilities across its service lines.

Also, during 2019, DXC transferred its application security testing personnel to TDA, in a move to make the testing service of TDA more comprehensive. TDA highlights that the additional application security testing capabilities and its Comprehensive Application Threat Analysis (CATA) assessment have proved a door-opener to new engagements. The transferred application security team had a headcount of ~600.

Scope of the Report

The report provides a comprehensive and objective analysis of DXC's next-gen testing service 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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