

# 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.**