

NEAT EVALUATION FOR AMDOCS:

Quality Engineering

Market Segment: GenAI Use Case Capability

Introduction

This is a custom report for Amdocs presenting the findings of the 2025 NelsonHall NEAT vendor evaluation for *Quality Engineering* in all the *GenAI Use Case Capability* market segment. It contains the NEAT chart of vendor performance, a summary vendor analysis of Amdocs for quality engineering services, and the latest market analysis summary.

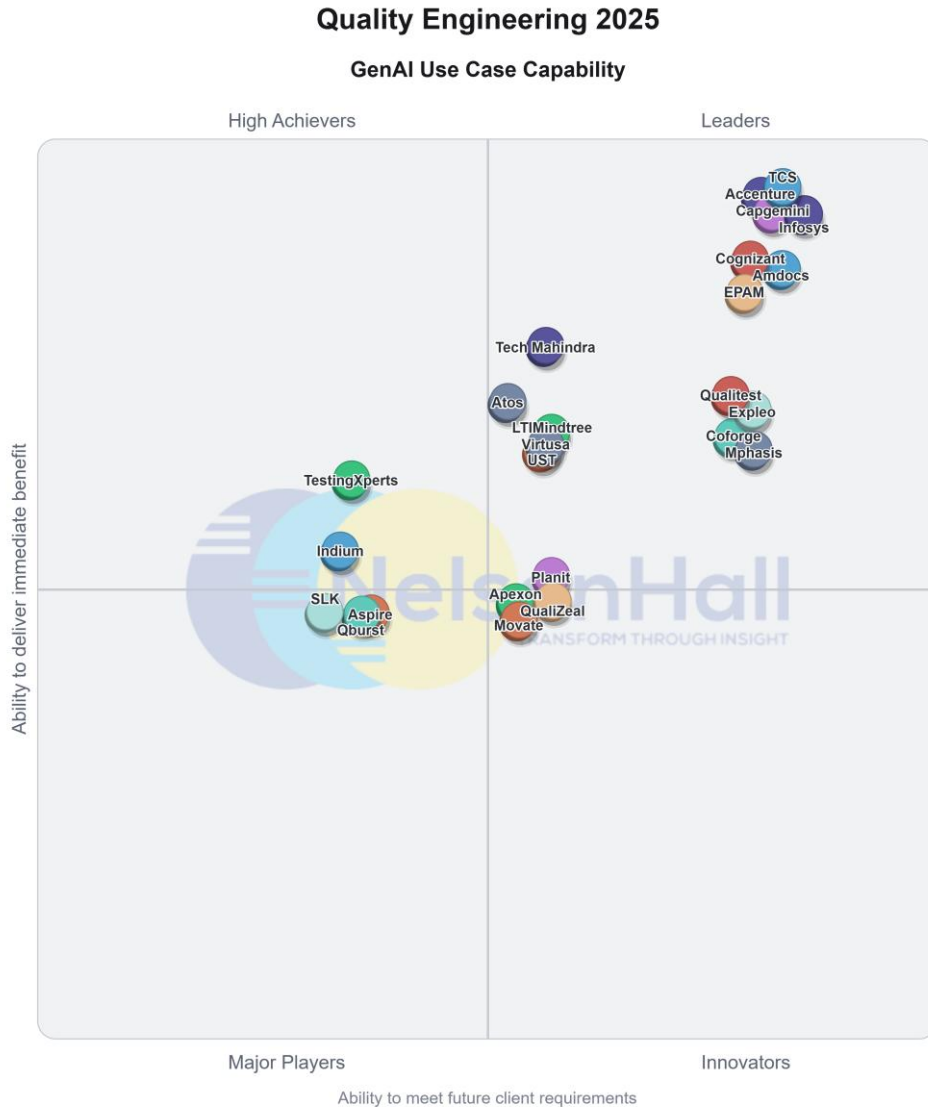
This NelsonHall Vendor Evaluation & Assessment Tool (NEAT) analyzes the performance of vendors offering quality engineering services (formerly referred to as software testing services). The NEAT tool allows strategic sourcing managers to assess the capability of vendors across a range of criteria and business situations and identify the best performing vendors overall, and with specific capability in AI-based analytics & automation, GenAI use cases, and SAP testing.

Evaluating vendors on both their ‘ability to deliver immediate benefit’ and their ‘ability to meet client future requirements’, vendors are identified in one of four categories: Leaders, High Achievers, Innovators, and Major Players.

Vendors evaluated for this NEAT are: Accenture, Amdocs, Apexon, Aspire Systems, Atos, Capgemini, Coforge, Cognizant, EPAM Systems, Expleo, Indium, Infosys, LTIMindtree, Movate, Mphasis, Planit, Qburst, Qualitest Group, QualiZeal, SLK, TCS, Tech Mahindra, TestingXperts, UST, and Virtusa.

Further explanation of the NEAT methodology is included at the end of the report.

NEAT Evaluation: GenAI Use Case Capability



NelsonHall has identified Amdocs as a Leader in the *GenAI Use Case Capability* market segment, as shown in the NEAT chart. This market segment reflects Amdocs' ability to meet future client requirements as well as delivering immediate benefits to its quality engineering clients with specific capability in developing GenAI use cases. Amdocs was also identified as a Leader in the *Overall* and *AI-Based Analytics & Automation* market segments.

Leaders are vendors that exhibit both a high ability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet future client requirements.

Buy-side organizations can access the *Quality Engineering* NEAT tool [here](#).

Vendor Analysis Summary for Amdocs

Overview

U.S.-headquartered Amdocs is an ISV/IT services vendor historically specializing in servicing communications service providers (CSPs), including telecom, broadband, cable, and satellite services, media content firms, and directory publishers.

Amdocs Quality Engineering practice (AQE) is organized as a global studio model, with specialized capabilities across consulting, automation, AI/GenAI, performance engineering, digital experience, and network testing, serving close to 100 clients. While Amdocs has traditionally been strong in the CMT sector, the industry-agnostic studio model has helped it steadily grow its presence in the BFSI sector and pursue opportunities in retail and airlines.

The team is structured into four groups:

- *Strategy and GTM*: looks after new offerings, patents, and thought leadership
- *IP and accelerators*: supports Amdocs platforms like brAIIn, Ginger and others
- *Sales and business development*: divided based on regions, verticals, and key accounts
- *Center 4 Enablement*: this group works in a federated model, ensuring that best practices and technology innovations are scaled across the practice in resource management, delivery, and emerging technologies adoption.

The practice is aligned to serve both IT and network transformation programs, working closely with delivery units to embed QE from design through deployment. It operates through dedicated competency centers focused on areas such as 5G, cloud migration, digital experience, and data quality, while leveraging a unified tooling and accelerators framework.

From a go-to-market perspective, QE is positioned as an integral part of Amdocs' broader transformation offerings, with solution teams working directly with sales and account leadership early in the deal cycle. Client engagement models range from standalone QE programs to fully integrated quality functions within managed services contracts.

Amdocs' QE offering spans three main areas:

- *Engineering (QE)*: focused on the establishment of an enablement layer to accelerate DevOps value realization, and includes services such as security testing, virtualization as a service, automation-as-a service, QE operations, and performance testing
- *Assurance (QA) and modernization*: focused on improving end-user experience, and addressing digital, network, and integration testing, as well as resilience, cloud assurance, and data model integrity, with a focus on validating systems through large-scale infrastructure or platform changes
- *Intelligence (QI)*: bringing the latest innovations, and incorporating GenAI application testing, predictive testing, and AI-driven test engineering, along with tools like the GenAI Test Factory, to improve accuracy, efficiency, and scalability in quality operations.

NelsonHall estimates that at the end of 2024, Amdocs had a testing practitioner headcount of ~4,400. It has adopted a worldwide sourcing model in its delivery centers, sourcing personnel across locations depending on client needs and language requirements.



Financials

NelsonHall estimates AQE's 2025 testing revenue breakdown by geography to be:

- North America: 66.5%
- Europe: 14.5%
- Rest of the World: 19%.

The estimated breakdown of AQE's revenues by vertical is: telecom and media 97%, banking and financial services 3%.

Strengths

- *Overall:* Amdocs' focus on R&D and training in QE is industry-leading. Over the last year, it has filed around 30 patents focused on QE and has trained nearly 75% of its workforce on AI technologies. It has developed platforms that address key use cases across the test lifecycle
- *GenAI and agentic AI automation:* Amdocs has demonstrated GenAI and agentic AI capabilities that are ahead of most peers. Its IP, brAIIn, is built on a structurally flexible model that allows rapid feature expansion (such as the integration of autonomous agents), enabling Amdocs to harness and operationalize emerging technologies quickly and effectively
- *AI automation:* Amdocs follows a structured approach to AI automation, focusing on foundational interventions and then improving incrementally for greater speed and stability. IPs like the low-code/no-code Ginger platform enable high test automation coverage without coding skills, while supporting orchestration, test data automation, and self-healing capabilities.
- *Strength in telecoms & media:* Amdocs is a reference vendor in the communication services space, and NelsonHall ranks Amdocs as No. 1 by revenue globally in telecoms & media.

Strategic Direction

Amdocs' QE strategy focuses on tackling industry testing challenges through a unified, AI-driven operating model. Important to this is its Center for Enablement, which standardizes best practices, consolidates tools, and enables cognitive, predictive, and self-healing capabilities. In summary, Amdocs is:

- *Addressing core testing challenges:* moving beyond traditional automation by embedding GenAI, predictive AI, and cognitive process automation; reducing redundant testing across domains and vendors; improving agility through fit-for-purpose test sandboxes and better test data/environment management; and lowering high tooling costs through enterprise tooling analysis and consolidation
- *Unifying quality operations:* shifting from fragmented, sequential testing to a centralized 'Enterprise Quality' model where testing is continuous, coordinated, and optimized. This includes self-healing microenvironments, predictive defect triage, on-demand test data, and the ability to quantify and communicate quality gains
- *Leveraging its Center for Enablement:* operating as a governance, R&D, and delivery enabler that sets enterprise-level best practices, consolidates QE tooling, and shares



reusable assets. The center also drives adoption of AI/ML, process orchestration, and optimized capacity models, while supporting decentralized teams to move at a unified pace

- *Integrating cognitive and AI capabilities:* applying multiple ML models for predictive test accuracy, optimization, and effective defect triage; orchestrating processes to create fit-for-purpose environments on demand; balancing CapEx and OpEx through smarter tooling choices; and maintaining a unified, scalable QE tech stack for faster value realization
- *Moving to agentic AI-driven testing:* Amdocs is building an agent-based testing service, with agentic capabilities covering most use cases embedded in its brAI platform. It has developed pricing models that are outcome and stage-based, where client spend is divided into stages like post-generation of assets, and post-delivery of business outcomes.

Outlook

Amdocs' roadmap focuses on expanding the use of AI and automation aligned to evolving client operations. It will continue to integrate AI-driven quality, analytics, and automation early into delivery cycles, with efforts concentrated around assisted AI and augmented AI.

A central part of its roadmap and investment focus is the development of agent-based workflows that can be applied to areas like testing certification, risk and security, and digital experience. The approach is intended to provide modular and scalable tools that enable continuous delivery, predictive operations, and more measurable outcomes from AI adoption.

Quality Engineering Market Summary

Overview

AI's role in QE continues to grow, evolving into LLM-based automation across lifecycle stages, including test design, change-impact analysis, risk-based regression, and defect triage. Early agentic patterns are emerging, moving from siloed QE activities to orchestrated workflows with increasing autonomous capabilities in test artifact generation, environment setup, and script maintenance.

Vendors are investing in unified QE platforms that combine traditional automation technologies such as ML, NLP, and computer vision with GenAI-driven test artifact generation, self-healing execution, and integrated test data management (TDM). These platforms increasingly cover API testing, performance engineering, and COTS testing. At the same time, development and testing are converging through shift-left adoption, copilots, and increasing integration of AI-assisted development and QE platforms. Testers are transitioning to SDET roles, supported by new AI skills, including prompt engineering, AI-assisted test automation, ML and analytics awareness, data skills, LLM usage, and Responsible AI in testing.

Domain-specific expertise, leveraging contextual layers of compliance mandates, taxonomy, and blueprints stacked on top of QE platforms, is growing as organizations operationalize GenAI in regulated sectors such as BFSI, retail, healthcare, and telecom. Vendors are differentiating through domain knowledge, pre-built assets, responsible AI frameworks, and compliance-aligned automation accelerators.

Pricing models centered on gain-sharing constructs, platform subscriptions, and limited agents-as-a-service offerings that complement traditional T&M and fixed-price models are emerging. However, NelsonHall sees limited adoption at this stage.

Clients are placing heightened emphasis on governance, explainability, and Responsible AI. As GenAI becomes embedded across the QE lifecycle, buyers increasingly prioritize vendor stability, transparent operating models, proven delivery maturity, and evidence of a strategic roadmap for integrating evolving AI capabilities.

Buy-Side Dynamics

The QE market has moved from a PoC-heavy GenAI phase to a more mature, platform-led QE model. The QE offering of choice for buyers now combines GenAI, emerging agentic use cases, vendor-developed traditional test automation, and ISV capabilities into an integrated platform, also available as modules for specific use cases.

Buyers can be segmented into three types: *Agile Mainstream*, *Advanced Automation*, and *Digital Matures*.

Agile Mainstream

Agile Mainstream organizations continue to operate in hybrid delivery environments, with digital initiatives adopting agile and DevOps practices. Clients continue to prioritize continuous testing and automation to support agile delivery, but the nature of automation has evolved.

Buyers increasingly expect AI-assisted QE capabilities to be embedded into standard delivery rather than positioned as experimental initiatives. This includes GenAI-driven test design, change-impact analysis, defect triage, and regression optimization, typically deployed with governance and human-in-the-loop controls.



Vendors are now expected to show their ability to:

- Deploy continuous testing at scale within hybrid agile environments
- Build GenAI-assisted capabilities across requirements, test design, execution, and support stages through modularized QE platforms that can also be used for specific use cases
- Offer 20% or more reduction in TCV for greenfield programs using AI-powered QE platforms.

Advanced Automation

Advanced Automation organizations operate mature agile and continuous testing environments and actively invest in next-generation QE platforms to further increase automation and productivity. These buyers no longer evaluate GenAI in isolation, with clients expecting vendors to offer QE platforms that integrate GenAI across stages of the test lifecycle.

These buyers evaluate vendors on the basis of:

- Demonstrated investments in GenAI-enabled QE platforms rather than point solutions, with a roadmap towards agentic patterns and governance guardrails
- OCM support, including tester adoption, and skills transformation.

Digital Matures

Digital Mature organizations run multiple large-scale digital programs and increasingly test systems that are themselves infused with AI. Their QE focus has shifted from automating digital technologies alone to assuring the quality, reliability, and trustworthiness of digital and AI-enabled ecosystems.

These buyers expect vendors to specialize in ERP testing (such as Salesforce and SAP) or to offer integrated build-and-test capabilities, supported by partnerships with ISVs.

Vendor evaluation in this segment is based on the ability to:

- Deliver automation-first QE services
- Offer AI model testing, including validation, bias detection, and model behavior monitoring services
- Support ongoing assurance in evolving digital and AI-driven environments.

Cross-Segment Trends

AI Assurance and Governance

Buying decisions now increasingly factor in Responsible AI, governance controls, and TDM. Clients expect vendors not only to create productivity gains but also to offer accountability and data auditability, particularly in regulated and large-scale enterprise environments.

Convergence of Development and QE Through Shift-Left and AI-Enabled Engineering

Across all three buyer segments, 2025 has brought an apparent acceleration in shift-left initiatives and a blending of development and QE practices. GenAI and early agentic workflows are now embedded in QE platforms and in AI-assisted development environments. As a result, the boundaries between development and testing are narrowing, with testers adopting SDET-like responsibilities and engineering teams relying more on AI-driven test generation, code suggestions, and impact analysis.



Clients now expect vendors to support unified engineering workflows where test design, automation, defect analytics, and even lightweight code creation are integrated into a single lifecycle. The blending of QE platforms with AI-assisted development tools has therefore become a key buying consideration, influencing talent models, tooling strategies, and the overall operating approach to software quality.

Market Size & Growth

The global testing services market size in 2025 is ~\$43.1 bn. NelsonHall expects growth in 2026 of +4% to 5%, driven by easing trade and policy uncertainties and AI augmentation of QE platforms to accelerate application releases.

Outlook

Functional testing continues to account for ~80% of software testing spend. The introduction of GenAI-driven QE will drive the decline of manual testing. Digital testing and COTS testing remain growth areas. Still, the most significant expansion will occur in AI-assisted functional testing, which is reshaping how organizations design, execute, and optimize test coverage.

Specialized testing activities are expanding, driven by newer demand segments. The most prominent is the rise of AI model testing (~7% of testing spend in 2025). Enterprises are formalizing programs to validate LLMs, copilots, domain-specific agents, and decision-support models in their applications. This segment is attracting investments from both QE and product development teams.

In parallel, agentic AI is moving beyond early pilots to mainstream deployment for tasks such as test design, regression optimization, defect triage, and governance support, which involve one additional QE task. As teams start experimenting with a blend of human testers and autonomous agents, many organizations are realizing they need clearer governance models to keep things predictable and accountable. At the same time, demand for non-functional testing continues to rise as cloud-native, API-driven, and distributed systems put more pressure on performance, resilience, and security. Test support areas such as data management, environment setup, and observability-led diagnostics are becoming more important as delivery grows more complex. Even UX testing is evolving, with new tools helping teams handle visual checks and accessibility reviews more efficiently.

Overall, specialized testing is now growing faster than core functional testing. The combination of AI model testing, agentic AI adoption, observability-led quality, and domain-specific automation is redefining the structure of the QE market. Vendors with strong platforms, scalable AI practices, and deep domain knowledge are best positioned for the transition toward continuous, autonomous quality.



NEAT Methodology for Quality Engineering

NelsonHall's (vendor) Evaluation & Assessment Tool (NEAT) is a method by which strategic sourcing managers can evaluate outsourcing vendors and is part of NelsonHall's *Speed-to-Source* initiative. The NEAT tool sits at the front-end of the vendor screening process and consists of a two-axis model: assessing vendors against their 'ability to deliver immediate benefit' to buy-side organizations and their 'ability to meet future client requirements'. The latter axis is a pragmatic assessment of the vendor's ability to take clients on an innovation journey over the lifetime of their next contract.

The 'ability to deliver immediate benefit' assessment is based on the criteria shown in Exhibit 1, typically reflecting the current maturity of the vendor's offerings, delivery capability, benefits achievement on behalf of clients, and customer presence.

The 'ability to meet future client requirements' assessment is based on the criteria shown in Exhibit 2, and provides a measure of the extent to which the supplier is well-positioned to support the customer journey over the life of a contract. This includes criteria such as the level of partnership established with clients, the mechanisms in place to drive innovation, the level of investment in the service, and the financial stability of the vendor.

The vendors covered in NelsonHall NEAT projects are typically the leaders in their fields. However, within this context, the categorization of vendors within NelsonHall NEAT projects is as follows:

- **Leaders:** vendors that exhibit both a high ability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet client future requirements
- **High Achievers:** vendors that exhibit a high ability relative to their peers to deliver immediate benefit but have scope to enhance their ability to meet client future requirements
- **Innovators:** vendors that exhibit a high capability relative to their peers to meet client future requirements but have scope to enhance their ability to deliver immediate benefit
- **Major Players:** other significant vendors for this service type.

The scoring of the vendors is based on a combination of analyst assessment, principally around measurements of the ability to deliver immediate benefit; and feedback from interviewing of vendor clients, principally in support of measurements of levels of partnership and ability to meet future client requirements.

Note that, to ensure maximum value to buy-side users (typically strategic sourcing managers), vendor participation in NelsonHall NEAT evaluations is free of charge and all key vendors are invited to participate at the outset of the project.

*Exhibit 1***‘Ability to deliver immediate benefit’: Assessment criteria**

Assessment Category	Assessment Criteria
Offering	AI-based analytics and automation SAP testing GenAI use cases
Delivery	Indian delivery capability U.S. onshore capability EMEA onshore capability APAC (Excluding India)
Presence	Customer presence globally Customer presence in North America Customer presence in EMEA Customer presence in APAC Customer presence In LATAM
Benefits Achieved	Level of cost savings achieved Increased test automation Improved application quality Reduced production downtime Increased speed to market Increased end user/ business satisfaction Improved User Experience



Exhibit 2

‘Ability to meet client future requirements’: Assessment criteria

Assessment Category	Assessment Criteria
Investments	AI-based analytics and automation
	SAP testing
	GenAI use cases
Market Momentum	QE market momentum
Ability to Deliver Improved Outcomes	Overall performance
	Achievement of program business objectives
	Understanding of key company and industry requirements
	Timeliness of service delivery (project on time)
	Cost of service (project on budget)
	Use of innovative offerings
	Flexibility of service
Financial Security	Value for money
	QE financial security

For more information on other NelsonHall NEAT evaluations, please contact the NelsonHall relationship manager listed below.



Sales Inquiries

NelsonHall will be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager:
Guy Saunders at guy.saunders@nelson-hall.com

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