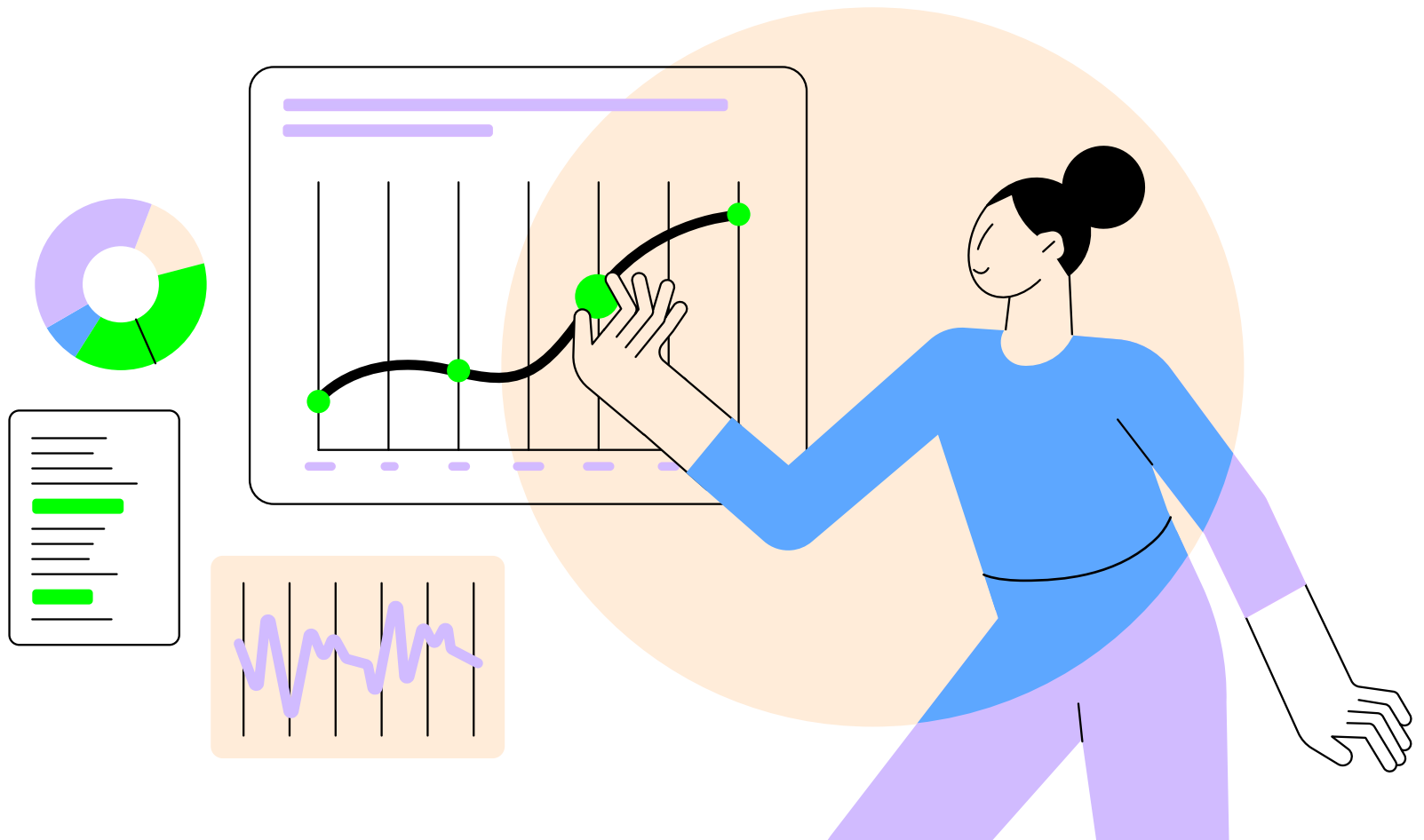


How to Measure the ROI of Test Automation



Test automation is helping businesses accelerate their digital transformation. However, without management support, the right tool and processes, and a quality mindset from the top down, test automation won't succeed.

Part of the journey of getting support from management is to set the time aside to accurately measure the ROI of test automation.

In this short guide, you'll find a list of what you should measure when determining the ROI of test automation, and why businesses are turning to no-code test automation.

How to calculate the ROI of test automation

When convincing management on the benefits of test automation, they need to understand more than the capabilities of the tool or framework you're looking into. They need a convincing and realistic proposal on the ROI.

What should you be measuring?

Stick with tangible measurements. Some outcomes are difficult to measure, like time to market, test coverage, and increased confidence in software. These points may not be visible at the beginning of your automation project, but can instead be considered as additional benefits that are realized as your automation project matures.

So what can you measure before implementing automation to get a realistic idea of the cost and benefit of automation? The measurements can fall into three buckets: **productivity** (driving efficiencies),

mitigating risk (avoiding additional cost of incidence on both revenue and productivity), and reducing **cost**.



Productivity

The productivity bucket involves the hours a team saves when adopting test automation.

This value can be translated into resources saved, which can be siphoned to other areas of the business, or to free up time for more value-generating tasks like exploratory testing.

Example template on what to measure when calculating ROI

Productivity (Hours saved)

Executing tests	
Reporting	
Bug management	

Enter the amount
in this column



Reduce risk (Productivity impact based on bug severity)

Productivity cost avoidance	
Average recovery time based on bug severity	
Critical	
Medium	
Not critical	
Number of employees impacted/involved during recovery	
Estimated reduction of incidents with automation	
Revenue cost avoidance	
Average cost of downtime affecting revenue based on bug severity	
Critical	
Medium	
Not critical	

Costs

Tool licensing (If using a licensed automation tool)	
Infrastructure	
Training	
Development/set-up of automation	
Maintenance of automation	

ROI (costs divided by the savings)



Risk

Another important saving is the cost of incidents caused by bugs leaking into production, whether customer facing or employee facing. This is also known as cost avoidance - the ability to avoid additional cost of incidence. The goal is to measure tangible factors - revenue and productivity.

Revenue cost avoidance can be measured by estimating the cost of downtime that has a direct impact on a customer. One example could be the inability of customers to complete a purchase. This number will change based on the severity of a bug.

Productivity is the impact on a workforce when they are fixing a bug, or when their work is disrupted due to a bug in their system. This number changes based on the severity of a bug, and when it is identified.

The further downstream a bug is identified, the more costly it is to solve. It bears a

significant value and can be measured by estimating the man-hours saved when catching a critical, medium, and noncritical bug.



Costs

Whatever automation solution is chosen, there will be significant costs. The investment can be covered by internal resources who have an average hourly rate or you can transfer the responsibility to a vendor. In either case, there will be a cost whether internal or external.

While any test automation tool can drive productivity and risk efficiencies, to be able to realize the true value of the solution, you need to measure the build and maintenance costs. There should be a clear understanding of the effort required to maintain automation scripts. This will vary depending on the number of assets

required, how complex they are, and the approach you are using (i.e. purely manual testing, a free automation framework, or a licensed automation tool).

If over time, the cost continues to outweigh the benefit, you should consider looking into alternative approaches to test automation. Mounting maintenance costs can outweigh the benefit of using internal frameworks or code-based test automation.

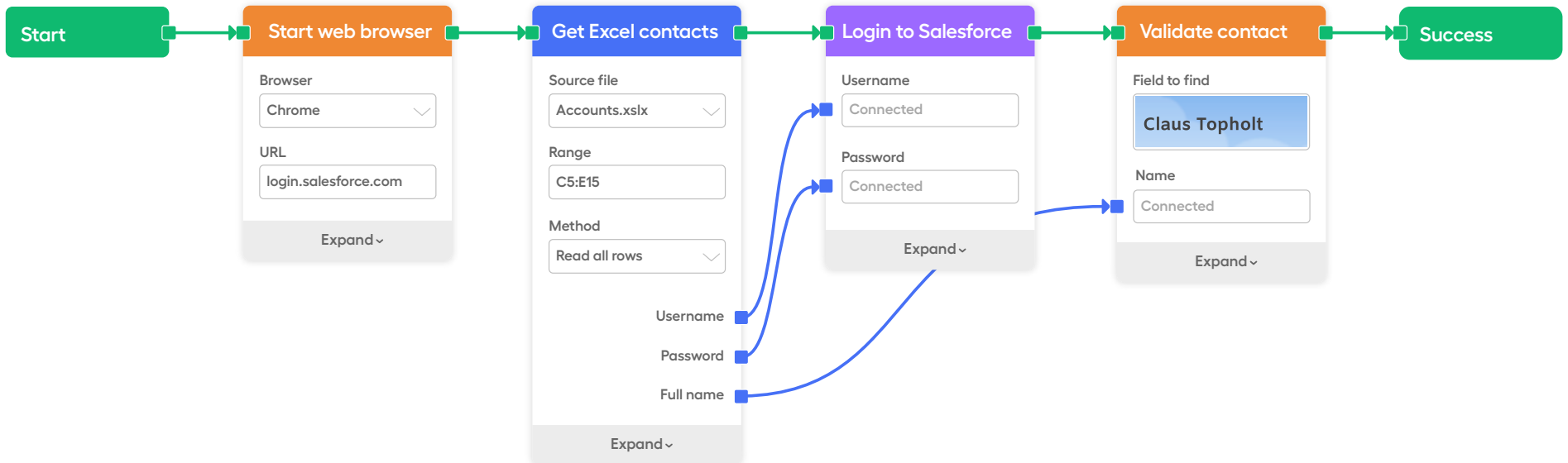
It is for this reason that businesses are looking for no-code solutions, Leapwork being one.

How can Leapwork help your business?

Leapwork's completely visual, no-code test automation platform makes it easy for business and IT users to automate, so enterprises can adopt and scale automation faster ensuring a fast ROI.

For rapid results, at lower cost, and requiring fewer specialist resources than traditional test automation approaches.

Leapwork automation flow





Easy to learn for faster test development

Leapwork's no-code platform bridges the gap between business and IT teams by providing a common language that people across your organization can use to communicate and contribute towards automation.



Keep test maintenance to a minimum

No need to parse through hundreds of lines of code. With a visual approach, reusability is built-in, so you can reduce the maintenance burden on your QA and development teams - for fewer automation bottlenecks.



Reduce manual testing

Leapwork will enable your business to eliminate repetitive, time-consuming tasks and facilitate agile teams that can focus on value creation.



Bug management

Easily identify why test cases have failed with tamper-proof audit logs, video-based reporting, and dashboards, plus built-in compliancy features for organizations with extended internal or external requirements. This removes siloes and integrates seamlessly into your CI/CD pipeline for rapid feedback, with plugins to Azure DevOps, Jenkins, Bamboo, and more.



Reduce hours spent reporting

Monitor outcomes at scale and make better business decisions with in-built exception reports and advanced data visualization tools from Power BI and Tableau.

Looking to invest in test automation? We can help you speed up your time to market, and assure the quality of your services.

→ Talk to a test automation expert to learn the value of no-code test automation

Let us show you

Automation specialists at your disposal.

[Book demo →](#)

Take it for a spin

Getting started with automation has never been easier.

[Start trial →](#)