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COMPETITIVE ANALYSIS

IDC MarketScape: Worldwide IT Education and Training 2012 Vendor Analysis

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IN THIS EXCERPT

The content for this excerpt was taken directly from the IDC MarketScape: Worldwide IT Education and Training 2012 Vendor Analysis by Cushing Anderson (Doc # 232870). All or parts of the following sections are included in this excerpt: IDC Opinion, In This Study, Situation Overview, Future Outlook, Vendor Summary Analysis, Essential Guidance, and Learn More. Also included is Figure 3.

IDC OPINION

This IDC study represents the vendor assessment model called IDC MarketScape. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the market. This study assesses key technology vendors participating in the IT education market as a line of business (LOB) to support the sale of their technologies. As one would expect of market leaders, overall, these vendors performed very well on this assessment and continue to improve their offerings. Key findings include:

- **Delivery and portfolio of offerings are strengths.** Vendors are universally strong at integrating a variety of delivery options in their portfolio. Firms are increasingly leveraging advanced technologies such as labs, games, and simulations to better transfer knowledge to their students.

- **Education services are improving.** While all vendors offer custom training programs — customized content, delivery formats, scheduling, and so forth — few vendors are in a position to be credible advisors to IT departments on staffing, skill requirements, and best practices for IT organizational management. Many firms offer skill assessments to individual learners, representing a strong foundation to offer higher value consulting.

- **Measuring the impact of training on the enterprise is frequently weak.** Most vendors have a limited understanding of the performance measures that their training is intended to influence. Therefore, they are unable to describe the business impact that successfully trained or skilled workers will have on the performance of the related technology. This disconnect makes it difficult to effectively describe the opportunity cost of spending a dollar on training as opposed to some other essential need.

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IN THIS STUDY

This IDC study uses the vendor assessment model called IDC MarketScape. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace and help anticipate its ascendancy.

This study assesses a number of vendors participating in the IT education market. This evaluation is based on a comprehensive framework and set of parameters that assess vendors relative to one another and to those factors expected to be most conducive to success in a given market during the short and the long term.

This study is composed of two key sections. The first is a definition or description of what characteristics IDC analysts believe make a successful IT training line of business of a technology vendor. These characteristics are based on buyer and vendor surveys and key analysts' observations of industry best practices.

The second part is a visual aggregation of multiple vendors into a single bubble-chart format. This display concisely displays the observed and quantities scores of the 11 reviewed vendors. The strategies axis represents a three- to five-year span and future perspective, while the capabilities axis represents current product and go-to-market execution. Market share of each vendor is indicated by the size of the circle representing the vendor, and the vendor year-over-year growth rate is indicated by a plus, neutral, or minus icon next to the vendor name, representing growth in excess of, the same as, or at a slower pace than the entire market.

The document concludes with IDC's essential guidance to support continued growth and improvement of these vendors' offerings.

Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of a review board of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions, on the IDC MarketScape, detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

SITUATION OVERVIEW

The IT education market covers the training of customers and partners on technology topics, processes, and features. The market is primarily served by four types of organizations:

- Internal training departments training their own employees

- Training specialists, either vendors or individuals, who are professional training providers
- Systems integrators or IT consultants who deliver training to their clients
- The technology vendors themselves that train their customers and partners as a value-added service

This IDC MarketScape is focused on the training line of business of the IT vendor. IT vendors of all types and sizes have an external-facing training LOB responsible for customer and/or partner training. Its role within the company ranges from feature documentation to product evangelist to adoption enabler to channel enabler to product value optimizer. Without conscious definition and execution of a sound customer and partner education business, IT vendors (and their training LOBs) may find themselves in the wrong role for the markets they serve.

This document is focused on improving the business execution of the training LOB of IT vendors. Based on IDC's research, observations, and interviews with many of the key participants in the market, this document provides several dozen "practices" or "approaches" to successfully building, maintaining, and growing a training business.

Introduction

Value of IT Education

Recent research has found that 80% of IT managers believe effective training is critical to the success of a project. Three out of four managers believe effective training increases the chances of a project meeting its deadlines. In research completed in 2011, IT project managers report that skill and dedication of the project team is the most important factor to assuring a successful project. The skill of the team is considered more important than the technology, clear objectives, or even the availability of project budget (see Figure 1). Training and team skill have the most significant impact on overall performance of technology and success of technology projects. Consequently, well-trained teams derive more benefit from their technology investments than undertrained teams. When teams are sufficiently trained, their functional performance can be dramatically improved.

FUTURE OUTLOOK

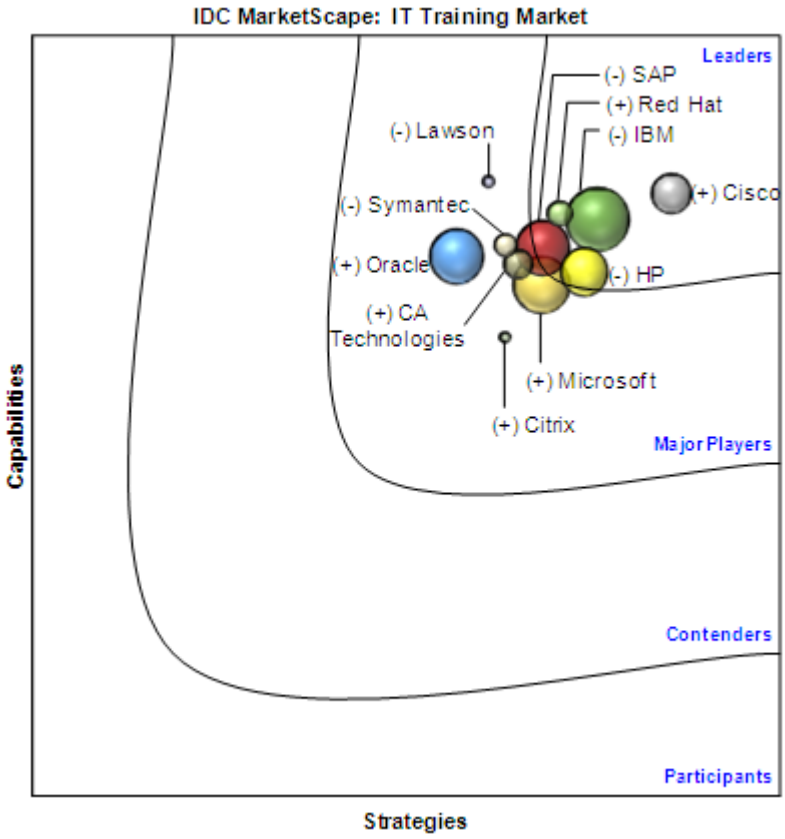
IDC MarketScape IT Training Market Vendor Assessment

The IDC MarketScape vendor analysis model for the IT training LOB is designed to provide an overview of the competitive fitness of technology vendors in a given market. The research methodology utilizes a rigorous scoring methodology based on both qualitative and quantitative criteria that result in a single graphical illustration of each vendor's position within a given market. The capabilities score measures vendor product, go to market, and business execution in the short term. The strategies score

measures alignment of vendor strategies with customer requirements in a three- to five-year time frame. Vendor market share is represented by the size of the circles. Vendor year-over-year growth rate relative to the given market is indicated by a plus, neutral, or minus icon next to the vendor name (see Figure 3).

FIGURE 3

IDC MarketScape IT Training Vendor Assessment



Source: IDC, 2012

Vendor Summary Analysis

This section briefly explains the key observations that resulted in a vendor's position in the vendor assessment graph. While every vendor is evaluated against each of the 47 or so characteristics, the description here provides a brief description of the findings that reflect the vendor's score and other interesting findings that may not be "scored" in this assessment.

SAP

SAP is an IDC MarketScape Leader for IT education. Like each of the reviewed vendors, SAP offers training on a broad range of its software and solution offerings applicable throughout its technology life cycle. Unlike most vendors, however, SAP makes training available along with the beta-testing release of the software to both "test" the training and provide the ecosystem and early adopting clients with the best opportunity for successfully deploying the new software.

SAP offers its courses in a wide variety of delivery modalities — both public and private, virtual, live, and on demand. Additionally, it deploys a simulation game to support in-depth, practical learning experiences for business users and sandbox environments for developers. In addition to its long-time EPSS offering, SAP Productivity Pak, SAP has recently added SAP Workforce Performance Builder. It has also enhanced both its virtual-ILT and its employee performance support offerings:

- **SAP Workforce Performance Builder** is a new offering from SAP Education designed to help the organization create, edit, deploy, and track context-sensitive user help, transaction documentation, simulations, test scripts, and rapid elearning.

- **SAP BusinessObjects Knowledge Acceleration** is a Web-based product that provides self-paced training and support on a variety of BusinessObjects products.

- **SAP User Experience Management** is a tool to help clients measure end-user performance and experience to improve customized training offerings.

With a broad portfolio of courses and delivery modalities, it can be difficult for individual learners or their managers to identify the most appropriate course. SAP has enhanced its course locator capabilities by providing keyword search that can help locate a single key concept within course descriptions within the SAP education site. In addition, SAP Education has a retail site to facilitate finding and acquiring appropriate training. SAP also offers Accelerated Learning Packages designed to provide concise and predefined course and certification content to help organizations quickly establish a skill base.

SAP's overall goal is to ensure the most appropriate training is available and consumed by every person who interacts with SAP solutions. One way SAP is facilitating broader availability is by expanding its subscription program beyond individual-named subscribers to a program where an enterprise can subscribe to on demand or other courses and where those courses can be attended by any designated employee. This helps enterprises deploy training to an entire project or functional team and ensures that new members can benefit from the same training experience whenever they join the team.

To more effectively develop comprehensive plans for individuals and teams, SAP has developed a self-administered Training Needs Analysis tool and has created learning maps for individuals. In addition, SAP has increasingly focused on helping its clients monitor adoption-deployed products. Its User Experience Management tool helps clients understand how employees are using various modules, making it easier to

develop change management or knowledge transfer strategies. It also has Enablement Executives — part of the global account management team — who develop and present a learning map for key clients to support those clients developing and maintaining skills of its employees working with SAP solutions.

SAP will be increasingly focused on end-user training both to further support growth of its training business and to help its clients more successfully adopt SAP products.

Areas of Particular Strength

Of significant strength for SAP is its large and diverse set of educational services offerings aligned by project life cycle. These include orientation services to assure project alignment with corporate objectives, assessment services, training utilization services, and educational assessments for various audiences and scenarios. This reflects an industry best practice for comprehensive educational service offerings.

An additional key strength for SAP is its use of community of practice (CoP) to develop content, gauge interest level, and receive feedback. In addition to input from the CoPs, SAP uses certification scores, global support feedback, and instructor feedback from classroom experience as input into curriculum design workshops to make courses and certifications more relevant and valuable. It also includes non-survey-based feedback from instructors, consultants, technical support, and students.

SAP also makes its training content available for reuse to other service lines and LOBs within the company on its internal Web site. Global support, presales, and consulting are a few of the groups that repurpose the training content for different uses.

Areas of Opportunity

SAP is currently developing a SAP-delivered training needs analysis to help its consultants and sales executives develop a more effective education services solution for its clients. The organization is also examining the link between renewal rates and consumption of training and seeking to establish a link between educated customer and support calls.

SAP's focus on understanding and responding to the life cycle of training needs of its clients is increasing — from familiarization and implementation training to user training, advance user training, and finally to upgrade or gap training. The life-cycle concept can help assure customers that their training needs will be appropriately addressed as their needs and uses of the supported products evolve over time.

SAP should collect skills assessment via surveys after the completion of classes and leverage that information along with other information to help prioritize and improve its portfolio.

While search capability is improving, the keyword search extends out neither to the broader SAP nor to the support-specific sites. Additionally, its keyword searching allows for only a single keyword — leaving much of the "finding" to the user. If users know they are looking for a specific course, this may be acceptable, but if they are trying to answer a particular support question and search the main site or support sites, the appropriate course or curriculum is never offered as a solution. This is a

common problem for training vendors and represents a disconnect between training offerings and the problems users are trying to solve.

ESSENTIAL GUIDANCE

The key finding of this research is the remarkable capability of most vendors. For the most part, and with only some variation:

- Their offerings are generally available for their major products.
- Their offerings leverage effective delivery models.
- Their operations provide excellent educational opportunities to their clients.

The most consistent area for improvement for these vendors, and the marketplace as a whole, is making appropriate training content easier to find and helping clients understand the benefit of being properly trained.

As mentioned many times within this assessment, vendors expose their training content to a surprisingly limited range of search. Most only make title, date, format, and covered product visible to search. Some make additional, limited keywords visible to search. A relative few make the description or topic outline of their course searchable, and none make all content searchable to the word. And, also surprisingly, the most effective search results come from within the education subsite. This means that even from within a vendor's main Web site, education offerings are invisible to the vendor's enterprise search engine.

At a very minimum, searches from the main page of a vendor's Web site and the education subsite should return the same education-related content. At best, a search on the Web site should include course content, objectives, and even teacher notes — returning each appropriate course title.

Very few organizations describe the operational benefits of being appropriately trained. Unfortunately, this requires training buyers to develop their own business case for training, and it is too often inadequate.

On the other hand, there are many examples of powerful changes in IT education delivery that is improving the quality of the experience and the value received by clients. These include:

- Robust development of learning paths to help clients fully prepare for use of a complex technology
- Broader use of ekits to support more rapid dissemination of updated training content and to facilitate use of training materials as "reference material"
- Services that help customers adopt technology, in addition to using technology, including services that help align technology with business objectives, change management, and training offerings to ensure achievement of project objectives

- Offering best practices and insights into leveraging its products to improving IT risk management processes to help develop competent teams

Each of these points offered by one or several of the reviewed vendors suggests IT education is evolving effectively but inconsistently. Vendors can find examples of successful practices among their peers but can equally find examples of less-effective practices. The key will be to identify those with the most potential and weed out those that retard value.

LEARN MORE

Related Research

- *Worldwide and U.S. IT Education and Training Services 2011–2015 Forecast Update* (IDC #231053, November 2011)
- *IDC MarketScape: Worldwide Security Management Certification 2011 Vendor Analysis* (IDC #230717, October 2011)
- *IDC MarketScape: Worldwide Network Certification 2011 Vendor Analysis* (IDC #230636, October 2011)
- *IDC MarketScape: Worldwide Server Management Certification 2011 Vendor Analysis* (IDC #230629, October 2011)
- *IBM Forum on Leadership: Leadership and Collective Intelligence in 14 Tweets* (IDC #230554, September 2011)
- *Worldwide and U.S. Corporate eLearning 2011–2015 Forecast: Slower Growth Expected* (IDC #230017, September 2011)
- *Learning and Development: Budget and Growth Expectations 2011–2012* (IDC #229225, June 2011)
- *Impact of Training on Project Success, 2011* (IDC #229054, June 2011)
- *IDC MarketScape: Worldwide IT Education and Training 2011 Vendor Analysis* (IDC #226469, January 2011)

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