

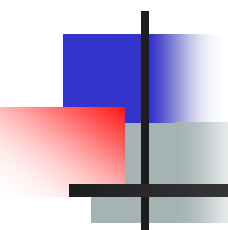
CEdMA Europe

The Next Big Thing for the Training Market

23 January 2008

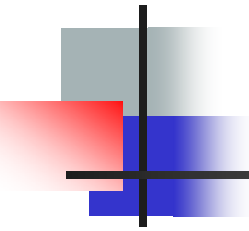
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What was the last Big Thing?



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Where Are We Going?



IT Training 1992 v 2007 *(IT Training mag, Sep 2007)*

1992	2007
DELIVERY	
Classroom based learning	Blended learning
'Sheep dip' training	Personal development plans
Training events	Learning processes
CONTENT	
Knowledge dumps	Learning support
Experts on stage	Peer collaboration online
ENVIRONMENT	
Technology as novelty	Pervasive technology
Training as an 'accidental job'	Training as a profession
Training decided <i>ad hoc</i>	L&D determining skills needs

Where Are We Going?

IT SKILLS RESEARCH – THE FUTURE: ARE WE NEARLY THERE YET?

Each row of the table represents a 'spectrum of maturity': on the left is the situation as it arguably once was, while on the right is the situation which some experts believe will evolve (or has already evolved). Please place one tick in each row to indicate where (on average) you believe the UK B2B IT training market is positioned right now. Thank you.

PAST	1	2	3	4	5	6	7	8	9	10	FUTURE
Delivery											
Classroom based learning											Blended learning
'Sheep dip' training											Personal development plans
Training events											Learning processes
Public scheduled ILT											Custom programmes
Formal learning											Informal learning
Content											
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Technology as novelty											Pervasive technology
Systems: develop, install and run											Customers embrace change mgmt
Training as an 'accidental job'											Training as a profession
Training decided <i>ad hoc</i>											L&D determining skills needs
No LMSs											Use of LMSs is standard
Approved suppliers											Managed service agreements
Competition between suppliers											Collaboration between suppliers

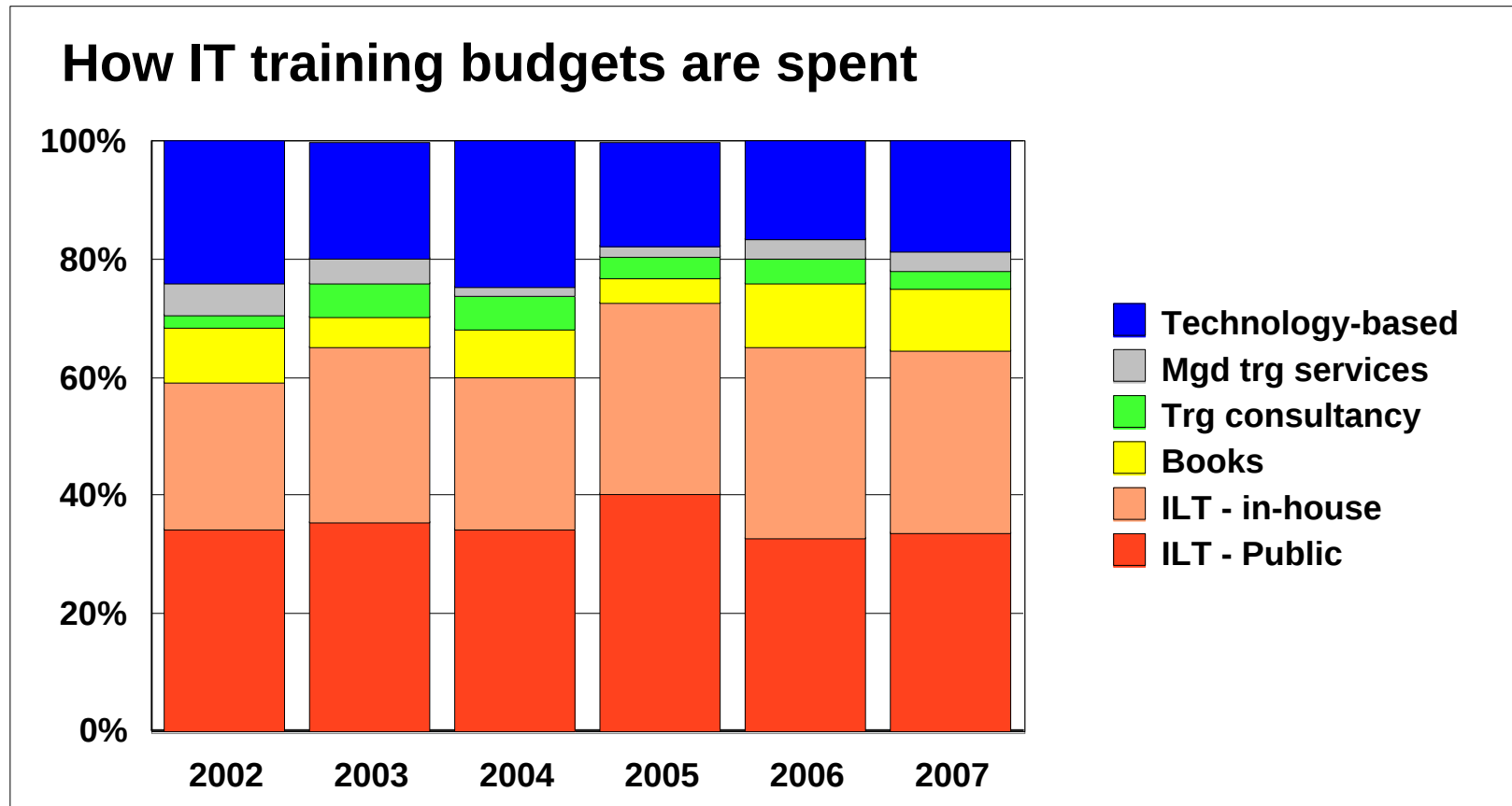
e-Learning/Blended Learning

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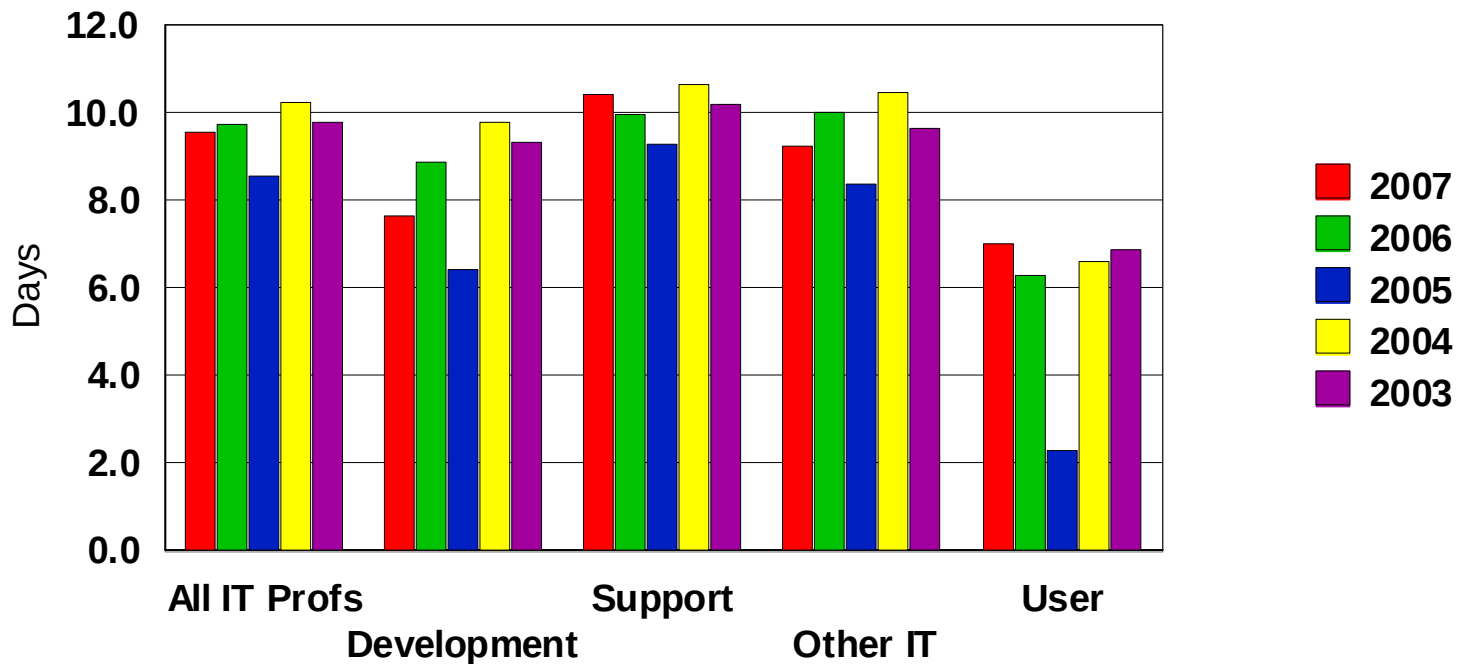
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e-Learning/Blended Learning



e-Learning/Blended Learning

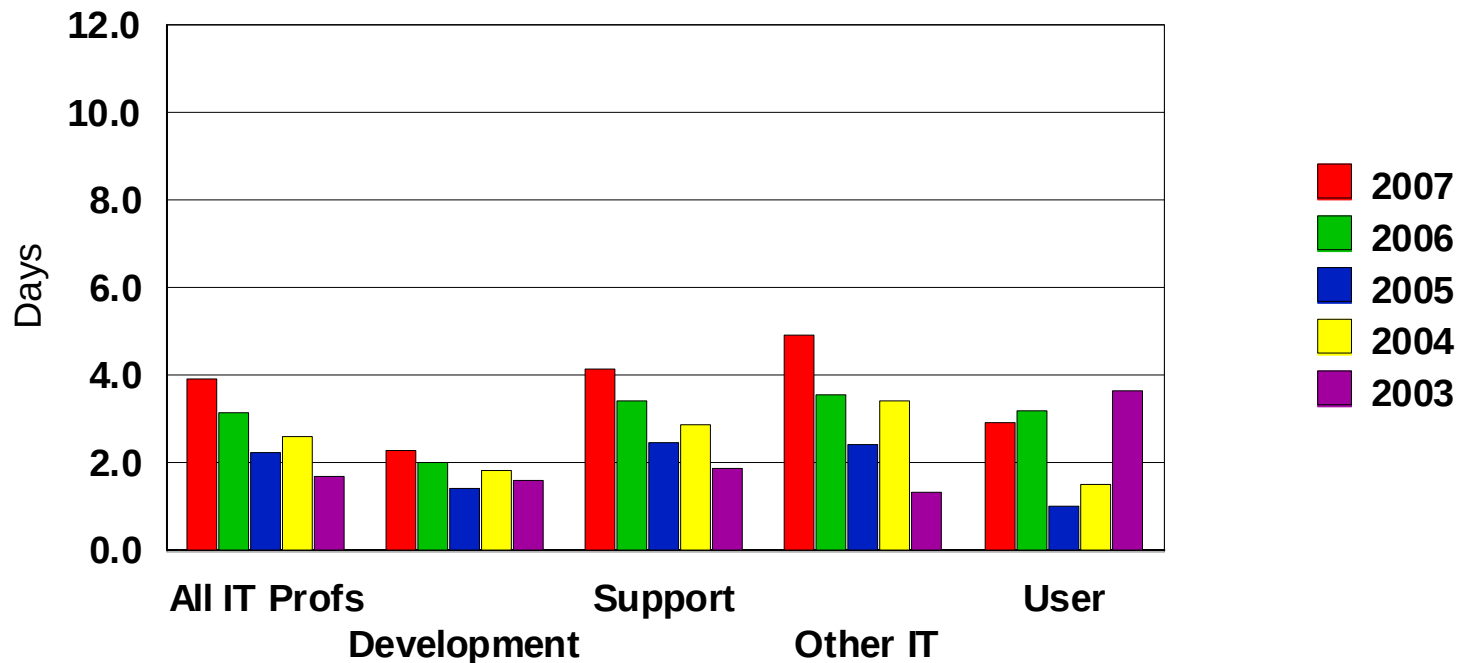
Classroom training in last 12 months



© IT Skills Research 2007

e-Learning/Blended Learning

E-learning taken in last 12 months



© IT Skills Research 2007

Standard v Custom

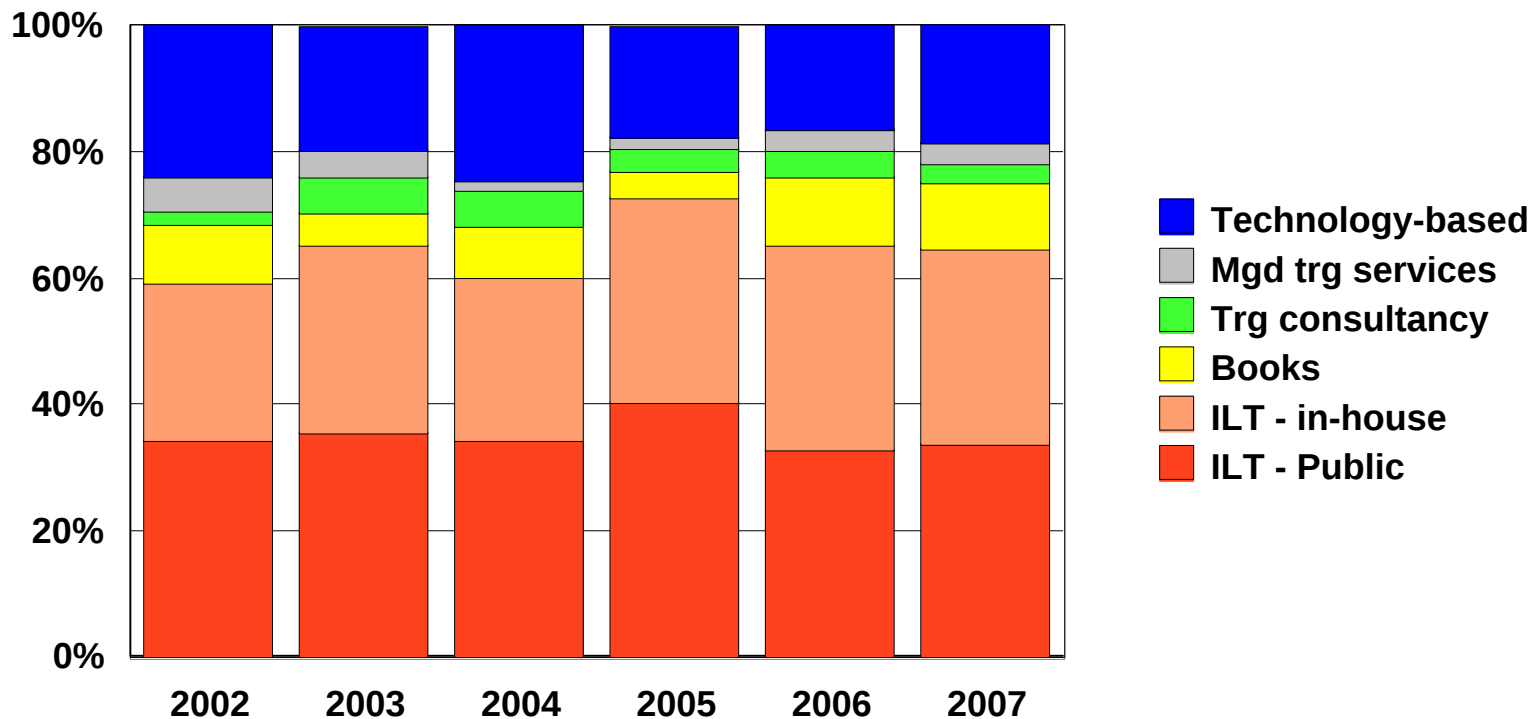
IT SKILLS RESEARCH – THE FUTURE: ARE WE NEARLY THERE YET?

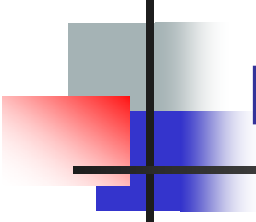
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Standard v Custom

How IT training budgets are spent





Buying Process

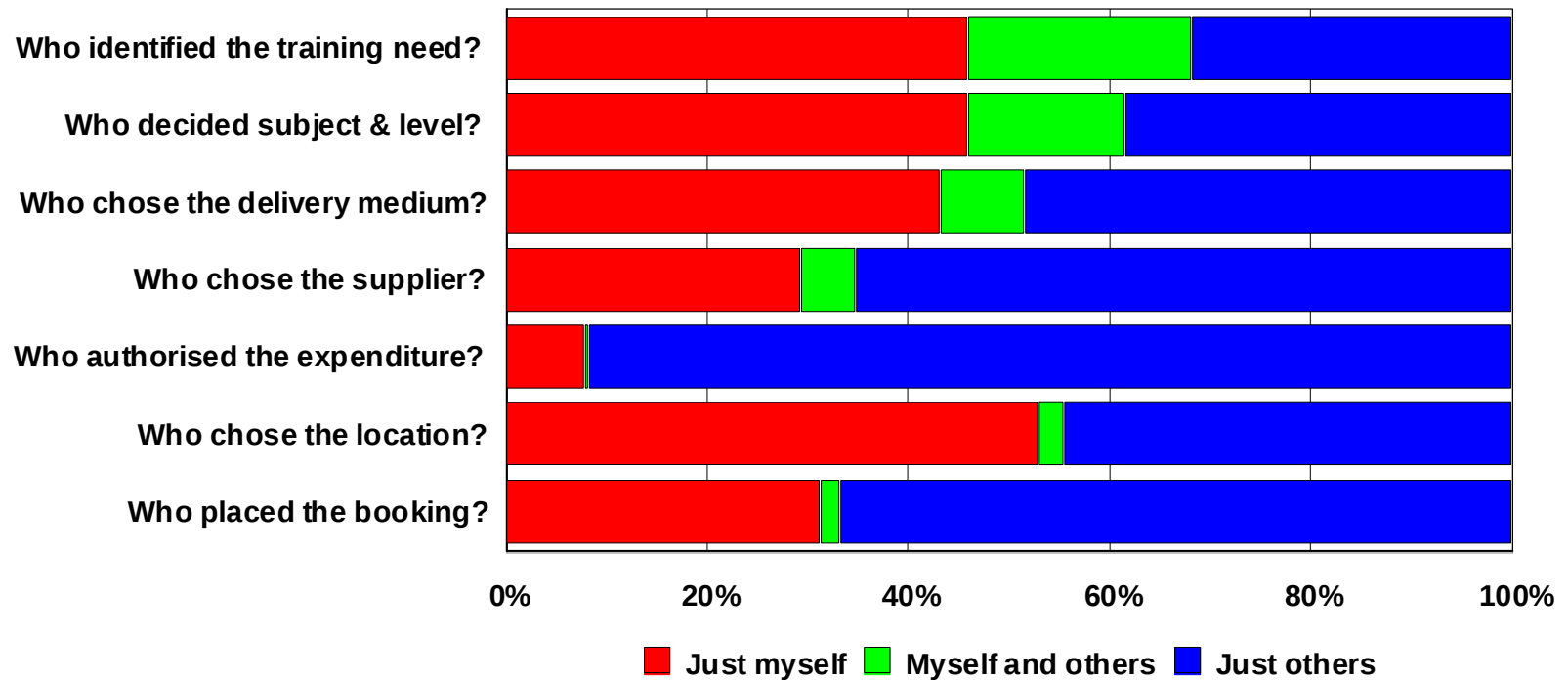
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Buying Process

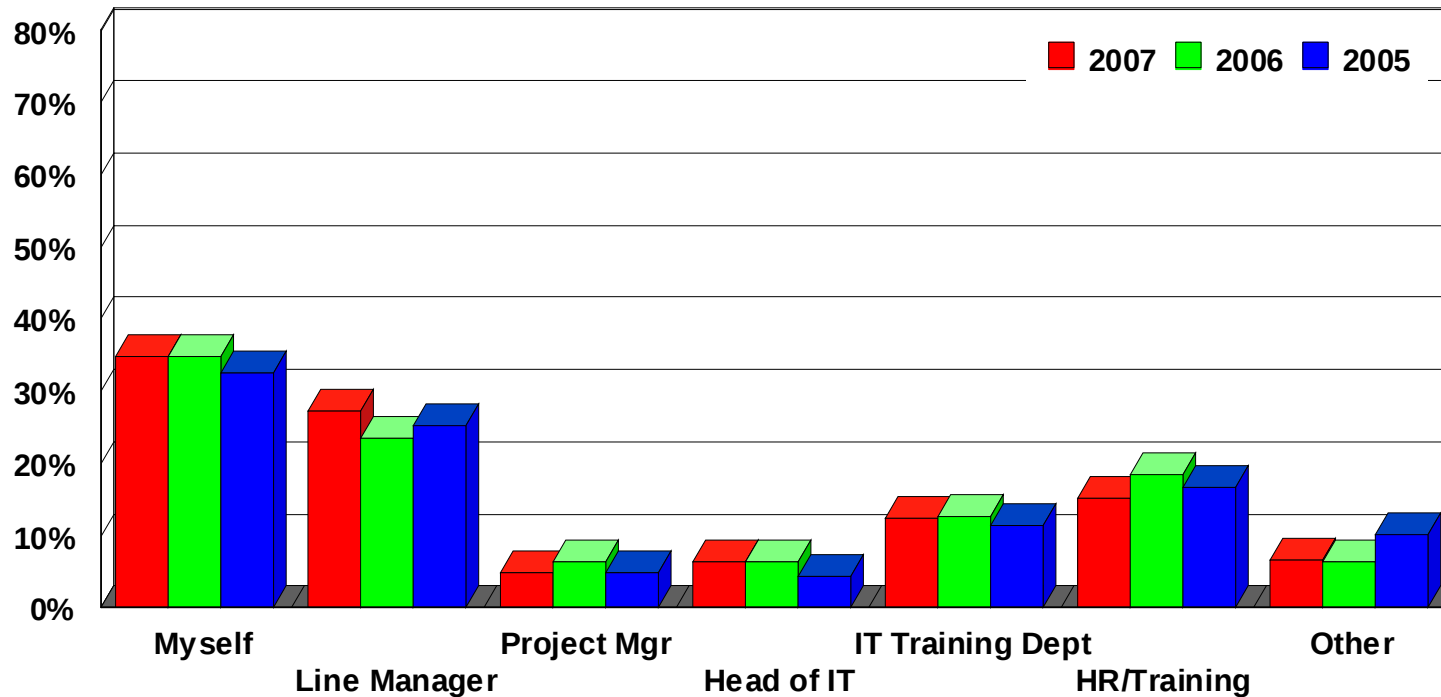
Decision makers 2007



© IT Skills Research 2007

Buying Process

Who chose the supplier?



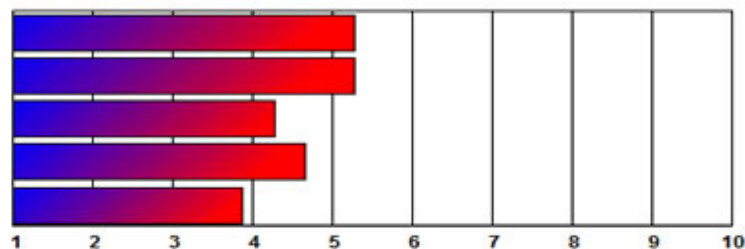
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Survey Results

PAST

Delivery

Classroom based learning
"Sheep-dip" training
Training Events
Public scheduled ILT
Formal learning



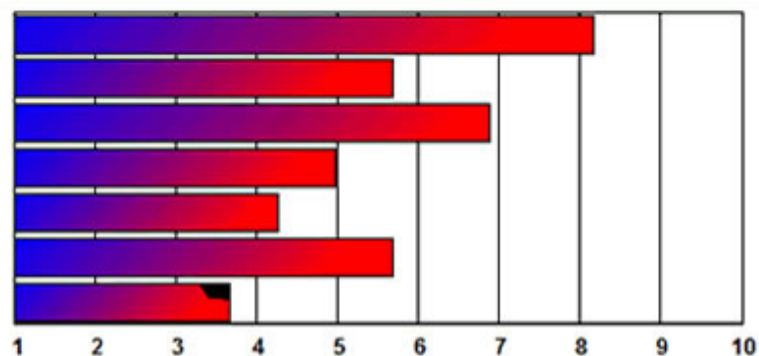
Content

Knowledge dumps
Experts on stage



Environment

Technology as novelty
Systems: Develop, install, run
Training as an "accidental" job
Training decided ad hoc
No LMSs
Approved suppliers
Competition b'tween suppliers

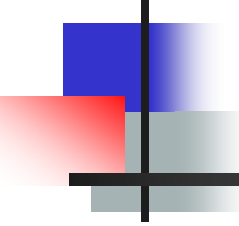


FUTURE

Blended learning
Personal development plans
Learning processes
Custom programmes
Informal learning

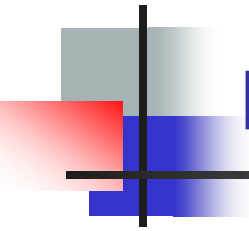
Learning support
Peer collaboration online

Pervasive technology
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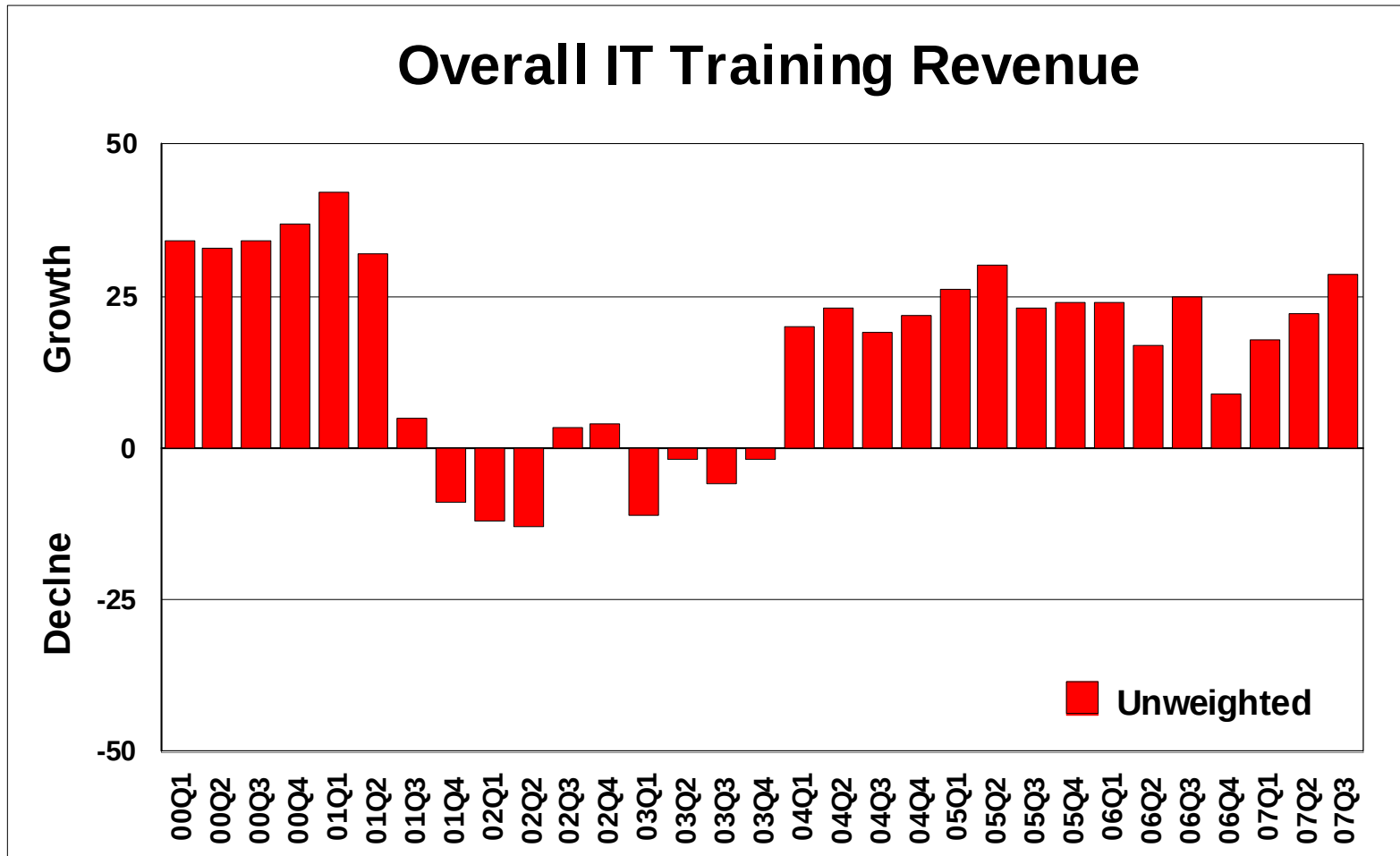
IT Training Trends

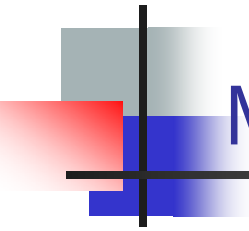


External Trends

- Economic uncertainty/recession
- IT market follows economic cycle
 - Gartner: “Create two IT budgets for 2008”
- IT Training market follows IT

IT Training Revenue Index





Market Size

UK IT Training Market

2000	£525 million
2001	£500 million (-5%)
2002	£420 million (-16%)
2003	£380 million (-10%)
2004	£410 million (+8%)
2005	£445 million (+9%)
2006	£480 million (+8%)
2007est	£525 million (+9%)

Top 50 2007

Top 50 The full list:

Rank 2007	Rank 2006	Company	Revenue £m	Change %	Website
1	1/2	QA-ID	60.4e	12%	www.qa-id.com
2	3	Learning Tree International	22.5e	-5%	www.learningtree.co.uk
3	6	SAP	19.7	9%	www.sap.com/uk/education
4	5	IBM Training	19.0e	0%	www.ibm.com/services/learning
5	19	Global Knowledge	18.5e	2%	www.globalknowledge.co.uk
6	4	Parity Training	18.4	-8%	www.parity.net/training
7	12	LogicaCMG	18.5e	10%	www.logicacmg.com
8	10	Xpertise Training	15.9	4%	www.xpertise.co.uk
9	8	Thomson NETg	15.3e	-5%	www.netg.co.uk
10	9	Computech International	14.2e	-11%	www.computech.com
11	14	SkillsSoft	14.1e	10%	www.skillssoft.com
12	7	Oracle University	13.0e	17%	www.oracle.com/uk/education
13	17	Assima Group	12.2e	20%	www.assima.net
14	21	New Horizons	11.5e	44%	www.nhtraining.com
15	15	Training Synergy	10.6	3%	www.trainingsynergy.com
16	16	Sun Microsystems	10.0e	0%	uk.sun.com/training
17	13	PPI Learning	9.7e	-31%	www.ppilearning.com
18	20	Remarc Group	9.6	16%	www.remarc.co.uk
19	22	KnowledgePool	9.3	33%	www.knowledgepool.com
20	18	HP Education Services	9.0e	0%	www.hp.com/uk/education
21	24	ThirdForce	8.8	24%	www.thirdforceplc.com
22	-	RWD Technologies	7.7e	-29%	www.rwd.com
23	23	The Matchett Group	7.6	7%	www.thematchettgroup.com
24	-	Business Training Partnership	7.1	61%	www.btp.co.uk
25	25	The Training Camp	6.7	33%	www.trainingcamp.co.uk
26	41	ILK Group	5.0e	100%	www.ilkgroup.com
27	36	Steris Training Services	5.0e	72%	www.steris.co.uk
28	-	Afniti	4.5	221%	www.afniti.co.uk
29	32	BT Training Solutions (NI)	4.1	28%	www.bicore.com
30	26	Red Tray	4.0	8%	www.redtray.co.uk
31	29	Key Training Solutions	3.8e	7%	www.keytraining.co.uk
32	-	Symantec Education Services	3.7e	12%	www.symantec.com
33	30	Red Hat	3.6	6%	www.redhat.com
34	27	WDR	3.6e	41%	www.wdr.co.uk
35	44	Kaleidoscope Training	3.4	41%	www.kctc.co.uk
36	28	Sage	3.3e	0%	www.sage.com
37	35	iTrain	3.2	10%	www.itraineducation.co.uk
38	34	BroadSkill	3.1e	7%	www.broadskill.com
39	-	Fant Lane	3.0e	200%	www.fant.co.uk
40	40	WWP Training	2.9e	16%	www.wwp.co.uk
41	39	ONS Arrow	2.7	4%	www.onsarrow.co.uk
42	-	Nortigate Information Solutions	2.5e	14%	www.nortigate-is.com
43	46	Happy Computers	2.4e	9%	www.happy.co.uk
44	47	Stay Ahead Training	2.4	4%	www.stayahead.com
45	43	Host Computers	2.4e	0%	www.hostcomputers.co.uk
46	48	Xansa	2.4	-4%	www.xansatraining.com
47	50	PremierIT	2.3	15%	www.premierit.com
48	-	IBM Group	2.3	60%	www.ibmgroup.co.uk
49	42	Bytes Technology Group	2.3	-8%	www.bytes.co.uk
50	49	Ajilon Learning	2.3	10%	www.ajilonlearning.co.uk

How the top 50 was compiled
This table of the top 50 training companies in terms of revenue was compiled by IT Skills Research.

The revenues shown in the table are for each company's financial year ending in 2006 or cover the calendar year 2006, and relate to IT training delivered in the UK. Eligibility is open to any company with revenues derived principally from the sale of training to employers for their staff, excluding colleges, universities and firms selling to private individuals or delivering publicly funded training programmes.

For companies on public record, the actual turnover from their annual accounts has been used. For those with no published turnover, an estimate has been made based on available data, shown by an 'e'. Some revenues given in last year's table have been restated, and growth relates to the updated figure.

This information has been carefully researched, but we cannot guarantee its accuracy or completeness, and will not accept liability for any direct, indirect or consequential loss arising from its use. For further information, visit www.witkillsresearch.co.uk.

Footnotes to Top 50

Identical acquired QA-ID in 2006, and rebranded the combined company as QA-ID. Figures shown are combined full-year revenues.

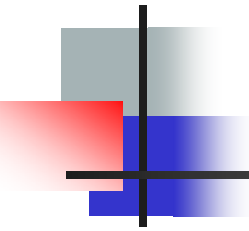
Global Knowledge acquired Kales Training in 2006. Figures are combined full-year revenues.

Spent acquired Watmans, a retail skills training business, early in 2006. **Computech** closed its **SNi** subsidiary during 2006.

SNi is expected to complete its acquisition of **Thomson NETg** in Q2 2007. The companies have been listed separately this year.

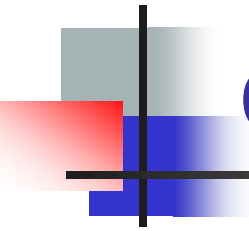
PPI Learning went into administration in December 2006. Its assets were acquired from the liquidator and the new company is now trading as **PPI Learning Services**. The figures in the table relate to the old company. **Afniti** bought part of **Learni IT** in 2006, which it replaces in the table.

ONS Arrow bought **IT Technology's** training business, which it replaces in the table.



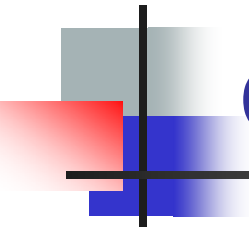
IT Skills Trends

- Two-speed skills market
 - High demand for business-facing roles, low demand for tech
 - Changing shape of the IT profession: pyramid to diamond
- Skills shortages
 - Project management skills
 - “Huge” shortage of junior talent
 - US ‘boomer time-bomb’
- Demand for business and management skills
 - project managers, system architects, business analysts
- Qualifications and certifications
 - Rising demand
 - Greater granularity/flexibility/transferability



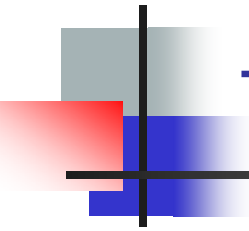
Customer Expectation Trends

- Demand for business and management skills
- Employers still want to recruit oven-ready staff
 - Soft skills even at entry level
- Shifting responsibility for L&D
 - 74% of line managers have L&D responsibility
 - 'ineffective' (44%), 'lack of understanding' (41%) [CIPD]
- Increasing need for user skills
 - 71% of UK workers now use technology in their jobs



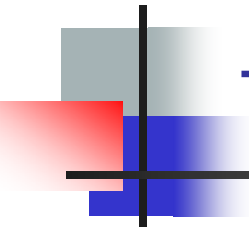
Customer Expectation Trends cont

- Strategic initiatives
 - Talent management
 - Skills frameworks
 - Capability management
- Qualifications and certifications
 - Custom programmes
- Demand for custom solutions



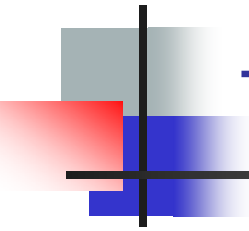
Training Market Trends

- IT training market is buoyant, but...
 - Delivery strong, orders weak
- Pricing pressure
 - Spreading commoditisation
 - Has stabilised?
- Buying process
 - IT pros continue to have strong influence
- Public scheduled v onsite/custom ILT
 - No major shift
- Growth in qualifications and certifications



Training Market Trends cont

- Growth in Learning Services
 - solution sales
 - Managed Training Service
- SMEs
 - In UK, SMEs account for 99.9% of companies, 59% of jobs
 - Government funding programmes
- Limited consolidation

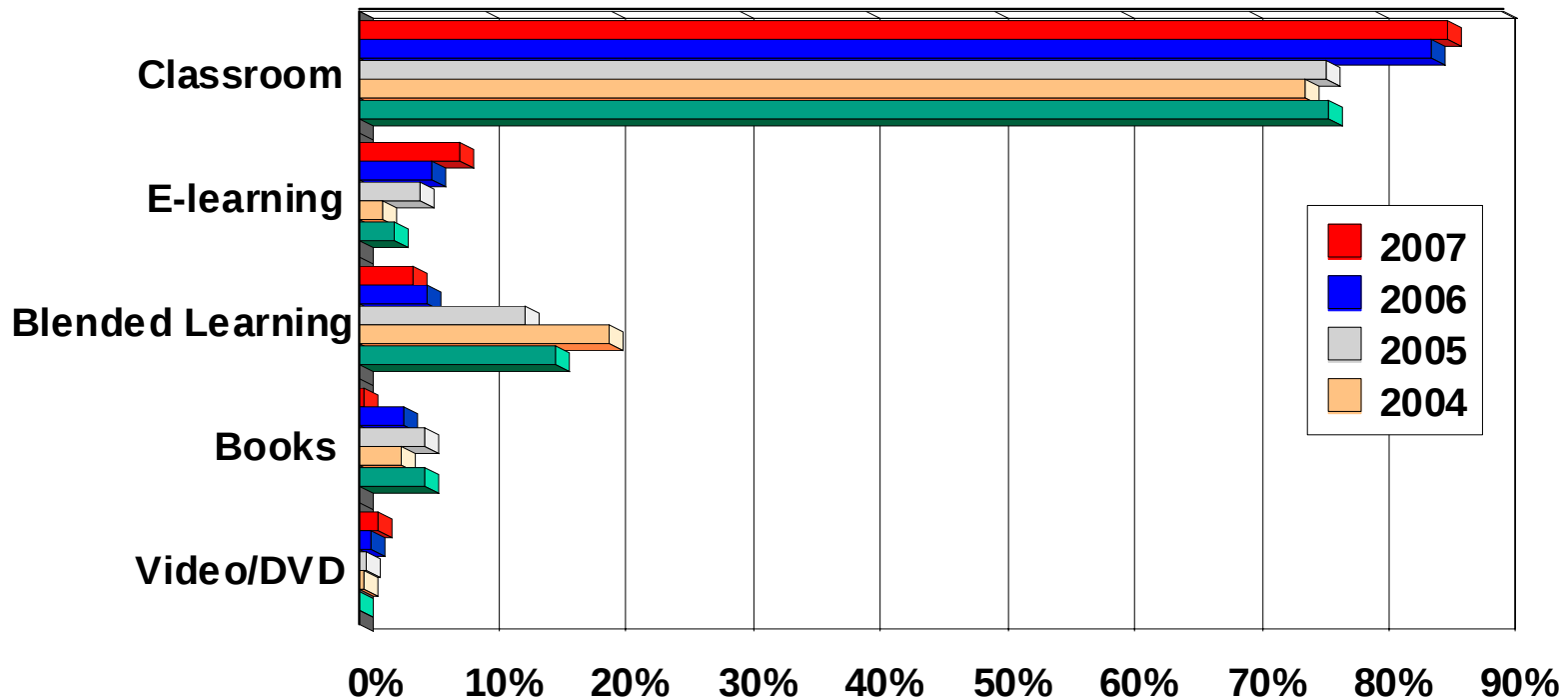


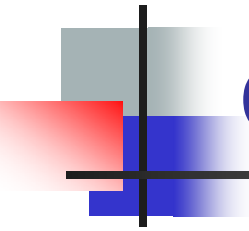
Training Delivery Trends

- e-Learning
 - Declining self-paced, growth in e-labs etc
 - Some increase in use, no increase in spend
 - More in-house development, including Rapid e-Learning
 - Mainly as component of blended, or for info broadcast
- Blended learning
 - Fusion of e-books, mentoring, blogs, podcasts etc into ILT
- New stuff
 - New products, new releases, new technologies

Training Delivery Trends

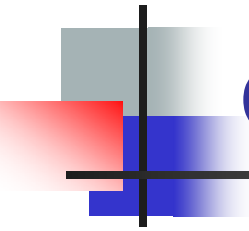
Freedom to Choose IT Professionals





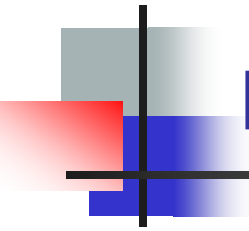
Challenges/opportunities for CEdMA Members

- Convincing own salespeople of the strategic potential of training
 - “You need the vendor or SI to push change management – including training – to the customer from the outset. Our company does this, and as a result, we currently have 20 training prospects on the go.”
- Provision or facilitation of training for partners’ customers and customers’ customers
- Outsourcing of customer training operations



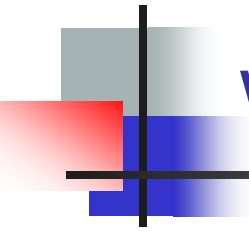
Other key trends

- ???



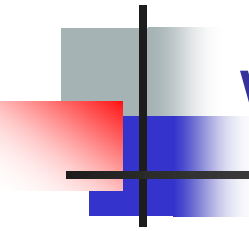
Professionalism Trends

- Maturity of IT industry
- Aspiration to be a profession
- Responsibility to the customer
- Demand for business and management skills
- Changing career models
- Qualifications, certifications and CPD
- Professionalism is more than just skills and knowledge...



Where does this lead?

- In the past, we've mainly delivered knowledge...
 - Knowledge is just information, and information is everywhere
 - Manuals/Help/EPSS/blogs/wikis/mobile
- ... and skills
 - “Do it like this...”
- The greatest value comes from judgement...
 - Choosing what to do, when
- ...and from standards, attitudes and conduct
 - ie professionalism



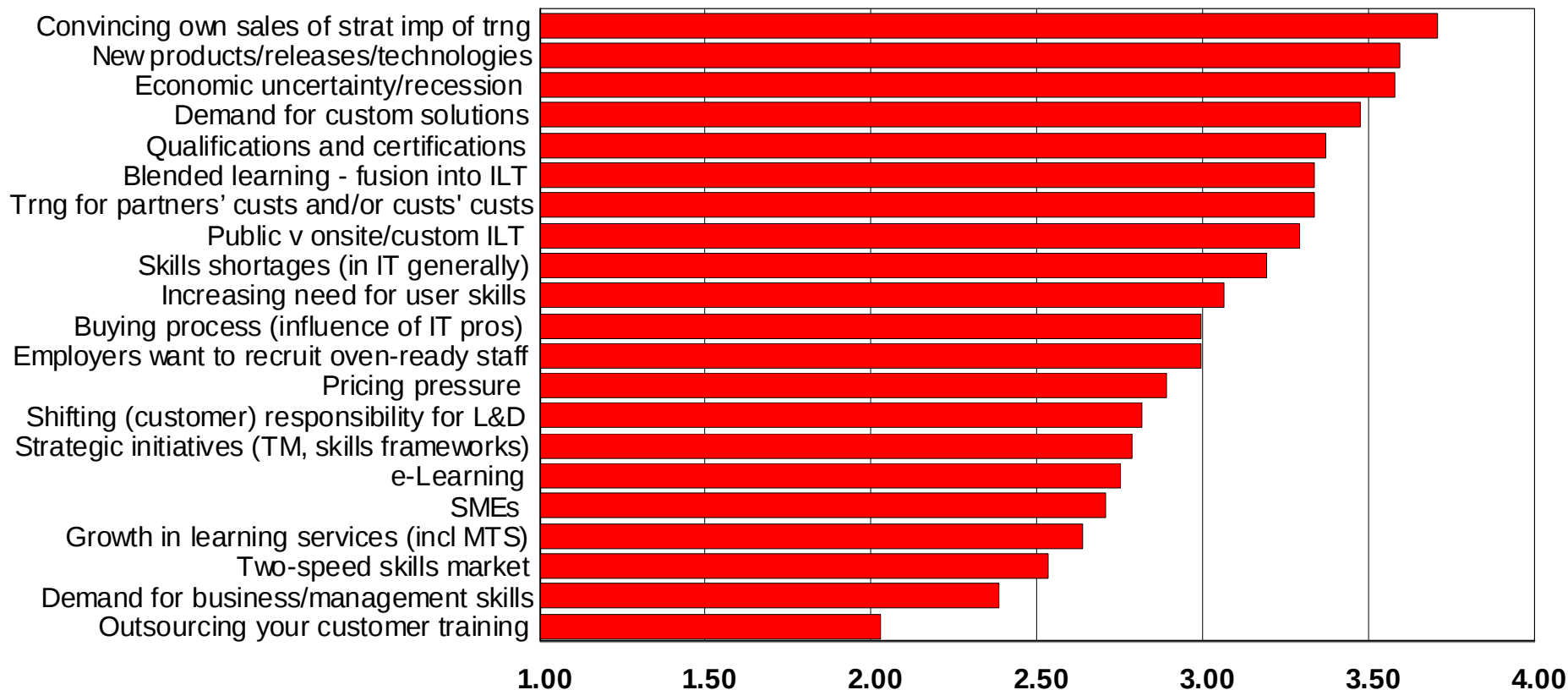
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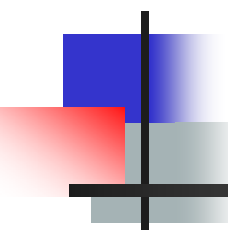
We used to deliver Training...

... which then became Learning...

... in future, it will be Education!

Survey Results: Key Concerns





CEdMA Europe

The Next Big Thing for the Training Market

23 January 2008

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