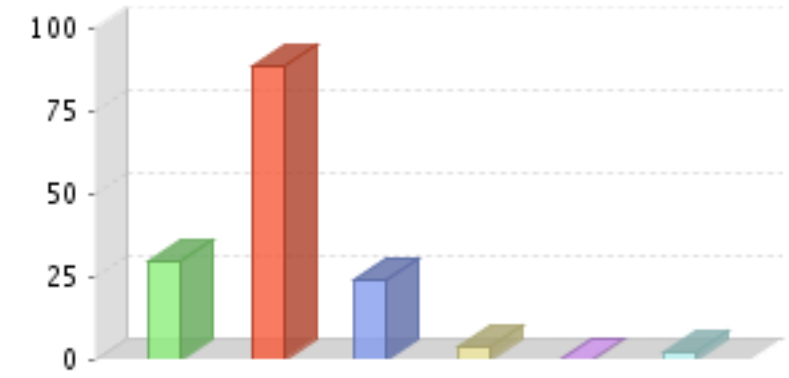
2010 Spring Conference Pulse of the Industry

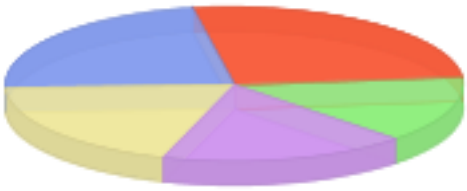
1. Which of the following best describes your company’s business? Please choose all that apply.



1 - Hardware	29.31% (17)	2 - Software	87.93% (51)
3 - Software as a Service (SaaS)	24.14% (14)	4 - Biosciences	3.45% (2)
5 - Non-profit	0% (0)	6 - Other	1.72% (1)

Response: 58

2. What was your company’s annual revenue in 2009, or most recent fiscal year?

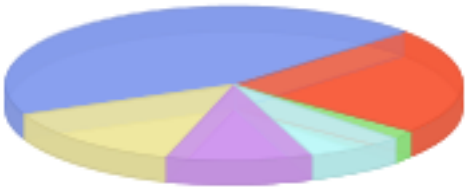


1 - $100M or less	14.04% (8)	2 - Between $101M and $500M	26.32% (15)
3 - Between $501M and $1B	22.81% (13)	4 - More than $1B and less than $3B	19.3% (11)
5 - $3B or more	17.54% (10)		

Mean: 3

Response: 57

3. How many full-time employees does your company have?

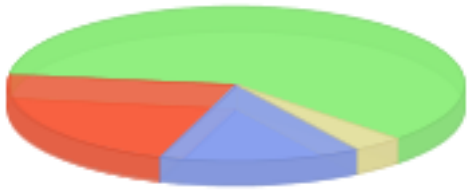


1 - Less than 100	1.72% (1)	2 - 101 to 1,000	22.41% (13)
3 - 1,001 to 5,000	44.83% (26)	4 - 5,001 to 10,000	13.79% (8)
5 - 10,001 to 50,000	10.34% (6)	6 - More than 50,000	6.9% (4)

Mean: 3.29

Response: 58

4. Which of the following best describes your training organization's primary business model?



1 - Profit Center (expectation is to make a profit - may have a margin target to achieve)	60.71% (34)	2 - Cost Recovery (expectation is to sell enough training to at least break even on expenses)	21.43% (12)
3 - Cost Center (expectation is to provide non-education revenue benefits - for example better trained employees and partners)	14.29% (8)	4 - Other	3.57% (2)

Mean: 1.61

Response: 56

5. What were your training organization’s annual revenues in 2009, or most recent fiscal year?

1 - No revenue	5.56% (3)	2 - Less than $500K	18.52% (10)
3 - $500K but less than $1M	5.56% (3)	4 - $1M but less than $3M	7.41% (4)
5 - $3M but less than $5M	14.81% (8)	6 - $5M but less than $10M	9.26% (5)
7 - $10M but less than $50M	27.78% (15)	8 - $50M but less than $100M	3.7% (2)
9 - $100M or more	7.41% (4)		

Mean: 5.09

Response: 54

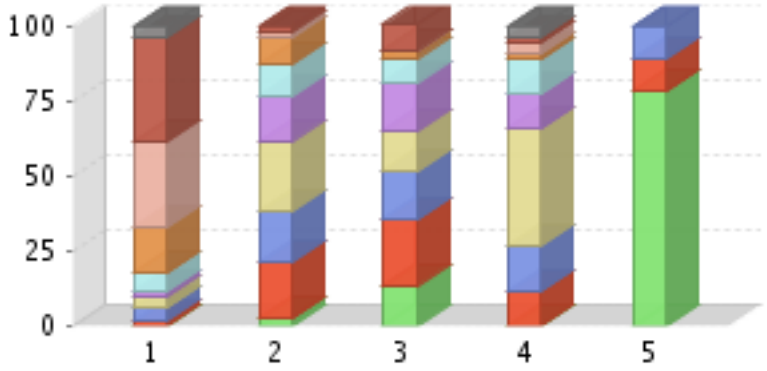
6. What was your training organization’s headcount in 2009, or most recent fiscal year?

1 - Less than 10	25.45% (14)	2 - 11-20	10.91% (6)
3 - 21-50	30.91% (17)	4 - 51-100	16.36% (9)
5 - 101-500	9.09% (5)	6 - More than 500	7.27% (4)

Mean: 2.95

Response: 55

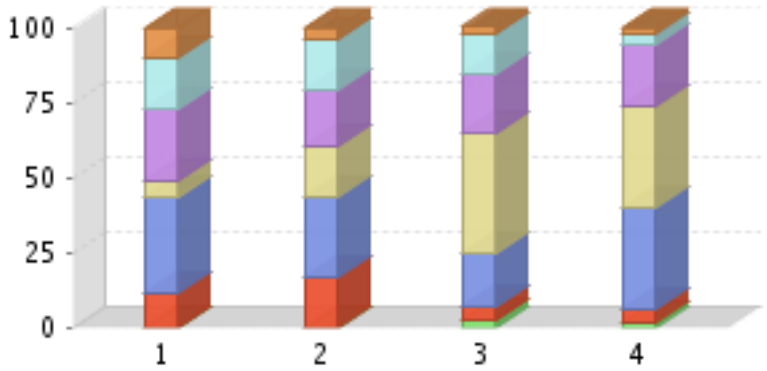
7. What percentage of students trained by your organization are the following:



		0%	1-2%	3-5%	6-10%	11-20%	21-40%	41-60%	61-80%	81-99%	100%	Mean
1	Customers	0% (0)	1.92% (1)	3.85% (2)	3.85% (2)	1.92% (1)	5.77% (3)	15.38% (8)	28.85% (15)	34.62% (18)	3.85% (2)	7.63
2	Business Partners	2.13% (1)	19.15% (9)	17.02% (8)	23.4% (11)	14.89% (7)	10.64% (5)	8.51% (4)	2.13% (1)	2.13% (1)	0% (0)	4.19
3	Resellers	13.51% (5)	21.62% (8)	16.22% (6)	13.51% (5)	16.22% (6)	8.11% (3)	2.7% (1)	0% (0)	8.11% (3)	0% (0)	3.81
4	Employees	0% (0)	11.54% (6)	15.38% (8)	38.46% (20)	11.54% (6)	11.54% (6)	1.92% (1)	3.85% (2)	1.92% (1)	3.85% (2)	4.5
5	Other	77.78% (7)	11.11% (1)	11.11% (1)	0% (0)	0% (0)	0% (0)	0% (0)	0% (0)	0% (0)	0% (0)	1.33

Response: 54

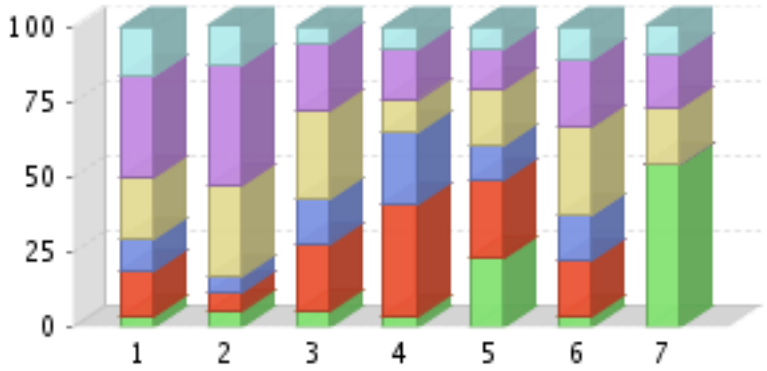
8. What percentage of change has your training organization seen from 2009 into 2010 in the following measures?



		<-40%	-40% to -20%	-20% to 0%	0% (flat)	0% to +10%	+10% to +20%	>+20%	Mean
1	Students trained	0% (0)	11.76% (6)	31.37% (16)	5.88% (3)	23.53% (12)	17.65% (9)	9.8% (5)	4.33
2	Revenue	0% (0)	16.67% (8)	27.08% (13)	16.67% (8)	18.75% (9)	16.67% (8)	4.17% (2)	4.04
3	Margin	2.22% (1)	4.44% (2)	17.78% (8)	40% (18)	20% (9)	13.33% (6)	2.22% (1)	4.2
4	Headcount	2% (1)	4% (2)	34% (17)	34% (17)	20% (10)	4% (2)	2% (1)	3.86

Response: 54

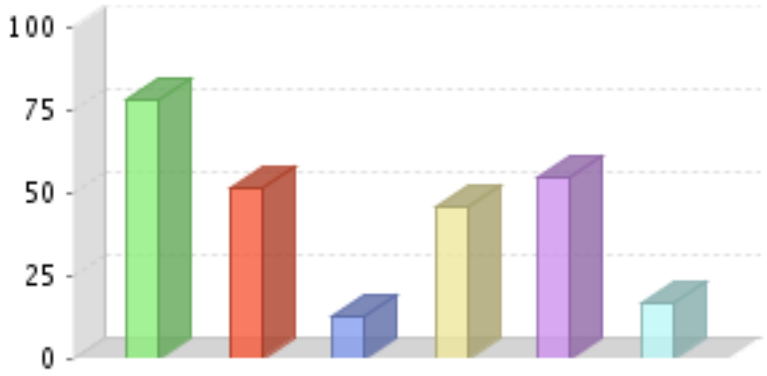
9. Please assess the following potential issues in the range 0 for no issue, 1 for minor issue, up to 5 for severe issue.



		0 = no issue	1 = minor issue	2	3	4	5 = serious issue	Mean
1	Customer/Partner has no/limited training budget	3.7% (2)	14.81% (8)	11.11% (6)	20.37% (11)	33.33% (18)	16.67% (9)	4.15
2	Student travel time/costs	5.66% (3)	5.66% (3)	5.66% (3)	30.19% (16)	39.62% (21)	13.21% (7)	4.32
3	Customer/Partner has no time for training	5.56% (3)	22.22% (12)	14.81% (8)	29.63% (16)	22.22% (12)	5.56% (3)	3.57
4	Our development/delivery resource	3.7% (2)	37.04% (20)	24.07% (13)	11.11% (6)	16.67% (9)	7.41% (4)	3.22
5	Lack of executive management support for training as part of our company's strategy	22.64% (12)	26.42% (14)	11.32% (6)	18.87% (10)	13.21% (7)	7.55% (4)	2.96
6	Pricing pressure on training - including attempts to give away training	3.7% (2)	18.52% (10)	14.81% (8)	29.63% (16)	22.22% (12)	11.11% (6)	3.81
7	Other	54.55% (6)	0% (0)	0% (0)	18.18% (2)	18.18% (2)	9.09% (1)	2.73

Response: 54

10. Which of the following actions have you taken over the last 9-12 months to improve the situation?



1 - More e-Learning	78.18% (43)	2 - More onsites/customized events	50.91% (28)
3 - Training funded via products	12.73% (7)	4 - Development/delivery cost reduction	45.45% (25)
5 - More marketing/sales activity	54.55% (30)	6 - Other	16.36% (9)

Response: 55

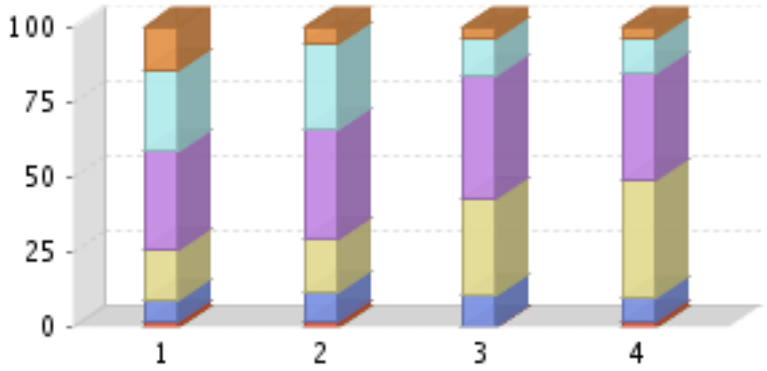
11. What have been your most successful solutions in 2009 and 2010?

1	Building a Learning Governance Council made up of key business owners who prioritize and fund our learning solutions
2	For learning partners - more focus on authorized programs and price breaks on content in emerging and developing markets. Focus on reskilling - workforce development programs - government programs.
3	Adding more training resellers and training delivery partners
4	Live Virtual Classroom training eKits
5	Virtual instructor-led training
6	Blended Virtual Classroom/WBT offers
7	Move towards more virtual delivery

8	Expansion of instructor led online training Restructured sales to dedicated education sales reps Revamp of customer facing website - change in infrastructure has allowed us to easily 'sell' new products Adding new eLearning products
9	1. Virtual Classroom training 2. E-learning solutions 3. Remote lab infrastructure
10	n/a
11	Flex force of Instructors who are not part of the Training cost center, but come from the "business" and we Certify them as Instructors to scale our course delivery Conversion of classroom content to Virtual
12	Refining the schedule to optimize margin around delivery Expansion of selling partners who can also deliver so they are motivated to fill their own classrooms Creation of Bootcamps to provide added value and reduction in time Creation of Short courses to provide "snack size" bites of training Investigating "smart sourcing" options for parts of the business like telesales and operations
13	Getting support from the accounting department to remind GMs that training can not be given away free.
14	Remote and virtual course delivery (remote being off-site with students and remote in to the equipment; virtual being everyone in separate locations remoting in to equipment)
15	budgeted special initiatives (eg product revenue paid for free training) outbound calling campaigns based on previously trained students
16	Increase ILO offerings and Asia Pacific focus.
17	More eLearning. Customers and our organization more willing to provide virtual classroom elearning.
18	Shift to virtual machines for live, highly interactive online sessions. More eLearning for basics.
19	Mixture of online instructor-led and OnDemand training.
20	Rapid content development platform with mutliple output formats - build once, deploy many strategy - and resale of content. Increased outbound marketing to fill classes. Packaging of more prescriptive, simpler solutions.
21	Recording training for later use.
22	My company has never had a formal training department in the 10+ yeas it has been around. My charter coming in Feb 2010 is to move all training under one department, inclusive of customer training. Customer training has never been offered formally and never charged for. My goal for this coming fiscal year (July 2010) will be to have an Enterprise Customer Training Offering, formal business partner and reseller training as well as working with HR to provide internal training for employees. We are just beginng...
23	Increased visibility from EVPs -- by tying Training Numbers more closely to Products and Key Customers
24	Providing bundled training coupons with some of our products Internally selling value of training to sales reps
25	Virtual Training with simulations
26	We are transforming the organization in all facets: - Delivery and delivery technologies - Self Paced and blended offerings for different learning groups - Infrastructire and business processes - Sales and marketing... Will give you good data by fall.
27	More eLearning
28	virtual classroom learning with virtual lab support
29	bundling, marketing
30	"Road Shows", (targeting specific locations where there are a large number of clients and delivering public training and creating a marketing event out of these). Customized onsite training, virtual classroom.
31	Putting a banner for training on our company's web home page Email blast to customer database 1-1 calls between Training Manager and Regional Sales Managers
32	The launch of our eLearning solution along with using virtual classroom training to eliminate the need for travel for our customers and partners.
33	Our most successful solution has been increasing the # of offerings available in the Virtual I-Led training environment. Both in the creation of more courses as well as adding more classes to the schedule. So far in 2010 we have seen a positive adjustment in the economy as our student attendance is greatly increased compared to Q1 2009 as well as overall for 2009. An additional success has been the EDUCATION of our sales and service teams as well as our customer on the benefits of i-led training in the software area. We also surveyed our customers/student to verify what their learning preferences were regarding software training and found that 85% still desired the i-led training with almost a 50/50 split between traditional classroom and Virtual - i-led. Although pricing changes have been considered for 2010 to "include" training as part of the sale on a Per Employee Fee (SaaS model) it is still being worked out.
34	Addition of eLearning
35	New Feature Webinars (just launched this quarter - tremendous response) Hosted Labs Solution (to facilitate onsites)

36	Launching alternative methodologies to scale business Marketing head
37	More remote virtual learning capabilities, for example our virtual live classroom offerings
38	selling custom end user training guides
39	Convert almost all instructor led courses from classroom to virtual classroom. Invest in training for our instructors such that they become very competent and confident in the areas of virtual delivery. Move more upgrade and end user content from instructor led to a learning portal - sell subscriptions to that portal
40	Shift to eLearning (which has seen growth) but not enough to offset decline in Public Revenue. Instructor Led Online Training is now over 60% of our public number.

12. What percentage of change is your training organization expecting to see in FY 2010 in the following measures?



		<-40%	-40% to -20%	-20% to 0%	0% (flat)	0% to +10%	+10% to +20%	>+20%	Mean
1	Students trained	0% (0)	1.82% (1)	7.27% (4)	16.36% (9)	32.73% (18)	27.27% (15)	14.55% (8)	5.2
2	Revenue	0% (0)	1.92% (1)	9.62% (5)	17.31% (9)	36.54% (19)	28.85% (15)	5.77% (3)	4.98
3	Margin	0% (0)	0% (0)	10.2% (5)	32.65% (16)	40.82% (20)	12.24% (6)	4.08% (2)	4.67
4	Headcount	0% (0)	1.96% (1)	7.84% (4)	39.22% (20)	35.29% (18)	11.76% (6)	3.92% (2)	4.59

Response: 55

13. What are your major challenges, moving through 2010?

1	Delivering learning solutions that help drive performance and business objectives
2	Increasing headcount resources while returning increased margin.
3	Moving to online training modes, with limited content development
4	We have an inadequate LMS and have not found a good replacement.
5	Resourcing (development and delivery) Time to market Forecasting Margin% management
6	- Keeping up with new product releases - Determining the optimum mix of delivery methods -- How much virtual -- how much classroom
7	development constraints in keeping up with course revisions and creation
8	Major architecture and user interface changes in software products requiring ALL (ILO, ILT, self-paced, etc.) courses for all products to be rewritten and turned in around in a limited period of time with a limited staff.
9	1.Reduction in headcount for development initiatives. 2. New product training 3. certification program initiatives
10	Identifying and hiring qualified training resources and keeping our courseware up-to-date.
11	Scaling delivery Supporting new product development Building a Team Manager/Leadership Curriculum
12	Need to get better fill rates on classes Need to further refine the partner model Need to control discounting, this has grown out of control Need to partner operationally to grow our business since we are not funded to expand our operations team Need to get partner training under control...no more free training
13	Bringing in an APAC training channel

14	* Developing the latest course materials to align with new products with less staff * Getting paid for our work
15	-still weak training business -major reorganization blocks resources for revenue generating and customer activities -high cost pressure in the market and company
16	Finding good people - we're hiring.
17	Systems infrastructure and support.
18	We have serious revenue challenges. Customers send fewer people to fewer classes. We have discounted significantly, and risk having discounted pricing become the norm/the expectation.
19	With a mature client base, the major challenge is both finding the advanced level content they desire and convincing customers that training leads to increased productivity to their organizations and therefore increased revenue. The more well-trained technical is, the less downtime for the customer where they can be producing more effectively and efficiently.
20	Pressure for smaller Education deals up front with new customers, but expectation for growth in revenue -- must sell more new customers to get same revenue and up-sell more to installed base. Regional slumps in business, i.e. certain parts of US, Asia, and Europe, are very slow to rebound. Rapidly expanding product line forcing more learning product development and delivery.
21	Funding the team.
22	Dealing with the challenge at hand. A company that is 10+ years old with no formal training has a lot of habits and a lot of "volunteer" trainers that love their responsibilities. The challenge will be collecting all that data/tribal knowledge pulling it under one umbrella all the while continuing to make traction in our customer business and keep the internal teams trained as we grow the company and release new software.
23	Nothing Major
24	IT infrastructure and support to automate training processes and roll out LMS
25	Our emphasis now is a product new product line that came about through an acquisition
26	Timely delivery by vendors. Adoption of eLearning by employees, partners and customers (they have only seen us deliver traditional ILT)
27	doing more with less headcount
28	Revitalizing the instructor-led training business
29	resources
30	revenue, revenue, revenue
31	Moving the dial! I believe the decline has stopped, but without a large increase in license revenue there is no easy way to see a return to positive growth.
32	change the mindset of our European sales team to get them to sell training figure out a successful training partner model that allows us to sell training credits achieving our challenging revenue goal
33	The continuing drop in revenue, the increase of "free" training being offered with corporate promotions and the impact of that on revenue. But if we measure the number of students trained, we're reaching more students with learning activities so we've aligned as a cost center to help drive product revenue.
34	"Selling" the benefits on i-led training and the value for cost -- both to internals as well as to customers. Ensuring the infrastructure continues to grow and keep up with the growing demand for virtual training. Developing training, in smaller chunks to presented virtually and/or in other mediums. Keep staff motivated and not worried that their jobs are going away
35	No additional headcount or contract dollars available for training organization. This will severely hamper ability to grow training revenue as we'll be unable to build new courses for new products coming to market as well as add additional training to resellers.
36	Customers are still not hiring employees and travel budgets are limited.
37	demand for training is still very low growth will come towards latter half of the year and stretch resources very thin
38	transforming the business. New role, so looking to bring organizaiton into the 21st century and also change mindset of how education is viewed internally
39	It will continue to be important to shift to more virtual training capabilities and we are transforming our entire education portfolio to become more modular and more multi-modal in its delivery - a major project requiring significant resource and investment
40	recession recovery
41	Transitioning more content into the learning portal while not freaking out the instructor community. Continued international growth - translations, databases, new territories have customers but not large enough for a full time instructor
42	Public revenue is still in decline. The macro economic situation is still challenging.

14. What major initiatives are you taking during 2010?

1	integrated talent management/learning management solution leadership training succession planning holistic learning solutions
2	Business development initiatives for learning partner business. Virtual trainer certification program Instructor and Partner rewards program and platform Content exchange platform for learning partners
3	Hosted LMS, virtual classroom, marketing

4	Instructional videos Courseware customization and train-the-trainer services
5	Partner Enablement Marketing Event Quality
6	Increasing web-based offerings Developing classes for suites of products
7	partner certification and materials licensing
8	Rollout of eBook type training Streamline ILO process to reduce costs and increase capacity Increase marketing effort
9	1. E-learning initiatives. 2. Remote lab rentals
10	n/a
11	Manager/Leadership Curriculum Training home-based employees LMS Implementation LCMS Implementation
12	Partnering for growth Complete overhaul of courses to align with new product release Hiring of BDM headcount to sell training Addition of telesales team to drive fill rates, stop leakage, provide better customer service
13	Implementing training credits
14	Expand our remote and virtual delivery; realign development efforts based on demand and what partner is willing to pay for
15	-major reorganization -reduce costs of delivery -review pricing structure for partner and customer
16	Certification Self-guided WBTs (asynch) Learning management system
17	Increasing our eLearning offerings.
18	Finishing up significant curriculum revisions: streamlined, made basics eLearning on demand, updated classes. Remainder of 2010 is devoted to sales and marketing, improving communications in the organization, getting more people to sell training. New web pages, new LMS, etc. will all support this but mostly it's just working with what's already there.
19	We are engaging in shorter online, ondemand topics in the form of technical series made up of topical tracks. We're hoping to make up the loss in classroom training revenue through this initiative.
20	Heavier Education driven sales initiatives, along with job role responsibilities for selling. Stronger emphasis on packaging. Common content development platform across both curriculum development and the instructors who do tailoring and customization with field delvieries.
21	Development of training for new product line.
22	Establish an Education/Learning Culture and Presence Establish and Grow the Customer Enterprise business. Procure a LMS
23	Marketing and Training focused on the sales force Greater focus on Online Learning Greater alignment with 3rd Party Training Resources
24	Implement LMS
25	New LMS
26	- Complete curriculum redesign - New infrastructure and processes - Partner and employee enablement - Aligh training to product release
27	new bundles
28	Increasing the blend of our training with our software and consulting sales
29	globalization/translations, printing initiatives (e.g., faster updates, faster delivery, reduced cost), consolidating technical content creation and delivery
30	marketing training developing additional certifications
31	learning credits, end user services, more OnDemand and Virtual Lab classes....
32	More virtual, elearning. More special "one off"events with a big marketing spin. More customized onsite training. Focus on large customers to provide custom COE support etc.
33	implementing paid Virtual Classrooms expanding training partners in Asia Pacific
34	We're incorporating simulations into our eLearning and also seriously looking at social media (social learning) and how we incorporate into our training offerings. How do we build a successful community of learners.
35	More Virtual Training Additional Timezone offerings for Virtual Training (2nd shift hours) Virtual Environment Infrastructure for hands-on training Agile content development and delivery

36	Development and delivery of comprehensive business case to senior management highlighting need for increased investment in training organization which will facilitate growth for the business.
37	More direct marketing to our students, which has not been done well at all in the past
38	Moving our conversations with employees and partners to a concept of "readiness" and technical "currency" versus selling training and certification. We have built our education framework to include assessment, training, testing and remaining current.
39	New Feature Webinar Series "How To" Webinar Series "Use Case" eLearning Dummies Guide Virtual Classrooms Partner Specific Classes
40	revamp the leaderhsip team broaden training modalities transform training and certificaiton programs
41	see above
42	making partners pay for training again (taken away in 09)
43	Replacing a 15 year old LMS Expanding the capabilities of the learning portal
44	Investment in more Business Development Managers. Hiring a in-house outbound calling team. Investment in holostic educational offerings