

## Why today's IT training does not deliver and how to fix it

Efficient and effective training is the only way to make sure IT delivers to the business. So what is the latest state-of-the-art training and where can it be improved?

An HP Software Education Services White Paper  
Based on global research by Vanson Bourne and Positive Marketing

### About this research

This White Paper reveals the key findings from a survey of 1,000 senior Enterprise IT decision makers conducted independently by Vanson Bourne in 2010 across 17 countries in Asia-Pacific, Europe and continental America on behalf of HP Software & Solutions. The research methodology used was a combination of online and telephone interviews, in local language where required, and respondents were only informed of the sponsor's identity after completing the survey.

# EMBRACE

sustained value from  
software investments



**Unlike other professions, the fast moving world of IT demands that skills are updated constantly. Sub-standard IT education and training fundamentally reduces an organization's ability to create and to consume IT services. For most businesses today this has important repercussions.**

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**Introduction**

The expectation of great IT-driven service is growing, adding pressure to internal IT teams. End users are confused. When using their smartphones and the latest Rich Internet Applications (RIAs) outside work, they are exposed to state-of-the-art user interfaces which seem to achieve a lot, albeit with a vast amount of complexity hidden at the back end.

Meanwhile, in the enterprise, the speed at which new applications can be deployed is an increasingly important competitive edge for organizations. Faster loading e-banking applications reduce customer complaints, accurate global shipment tracking services improve customer service and leading edge e-tailers, with up-to-date shop fronts, create more user loyalty and 'stickiness'.

Recent innovations in the world of enterprise software, like the move to the cloud, datacenter virtualization and agile programming, all promise a much higher level of IT services to their business 'clients'. But enterprise software innovation, despite automating so many crucial business processes, still requires significant human skills to build, roll out and manage efficiently.

Delivering these and other innovations therefore requires regular refreshing of the IT team's professional skills as well as end-user education. Failure to nurture both capabilities leads to competitive disadvantage. This means efficient and effective training is the only way to make sure IT delivers to the business. So what is the latest state-of-the-art training and where can it be improved?

## Executive Summary

Three major barriers to IT service quality were picked up by this global and comprehensive report:

1. Non-standardized enterprise IT processes
2. Shelfware (over-provisioned/underused enterprise software)
3. Missed enterprise software upgrades

In all three cases, training can help:

- Training is the number one challenge identified preventing the adoption of standardized IT processes.
- Training issues are second only to implementation issues (many of which could also be solved by training) regarding the reasons for shelfware.
- Structured end-user training is called out as the number one means to improve enterprise-wide software deployment.

Better training clearly underlies the top concerns of IT executives surveyed in this report. Training increases end-user adoption of enterprise software, explaining its benefits and provides a platform for further exploration of its business value.

However, the delivery and management of IT education is often poor. IT training and user enablement plans are too often reactive, driven by current, rather than future, requirements. Even though training is a significant IT budget item, at 28% of the total IT budget, training plans are agreed too late and, perhaps as a consequence, too much of this budget (7%) remains unspent each year.

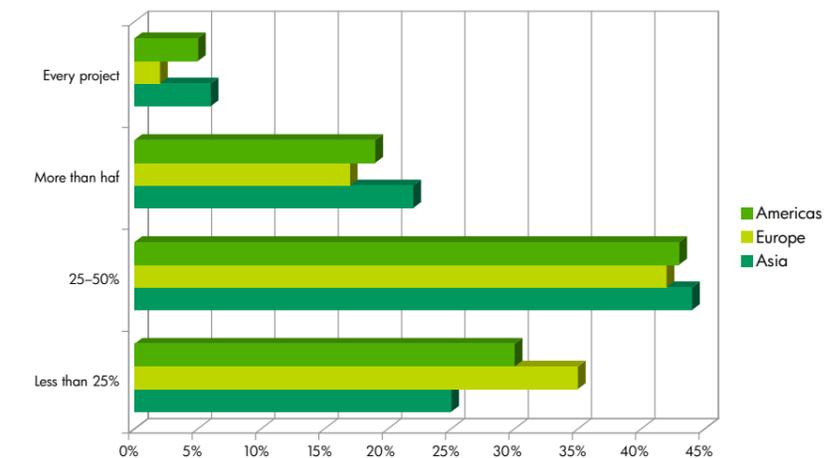
With a more strategic view of the role of education and training and some new tools, the three hurdles to IT service quality of non-standardized IT processes; shelfware and missed enterprise upgrades can be tackled.

New delivery methods and planning tools offer more efficient and flexible training and can motivate trainees to learn about enterprise software the same way they do outside of work. Using these techniques and expertise from major players like HP Software Education Services offers a major step towards making the vision of improved IT service levels a reality.



## Non-standardized IT processes

The ability of computers to execute repetitive tasks does not scale up infinitely. There is a great deal of human intervention required to develop, test and implement IT projects whether tactical or longer term and spanning large organizations, if maximum business value is to be extracted. Successful IT pilots are nowadays expected to be globally deployed in weeks and months, not years.



Successful pilot projects re-architected before extending enterprise-wide

In recent years, as IT budgets have come under greater scrutiny, the range of external options including outsourcing and cloud computing has grown. This makes failure to deliver globally deployable applications a recipe for disaster and possibly terminal in lean times. World-class IT teams have learnt to standardize their development processes to deliver software efficiently and repeatedly, to create higher quality IT services.

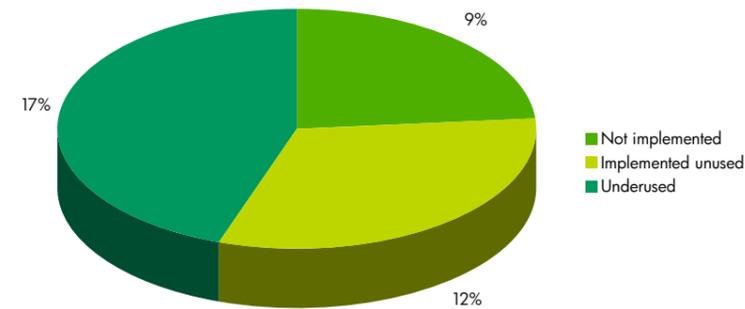
The level of customization still required to deploy successful pilot projects across the business is unacceptably high. Respondents reported on average 38% of successful pilots have to be re-architected before they are launched across the company – an expensive and time-consuming proposition.

Interestingly, no geography performed significantly better, proving such rework is endemic. To change this status quo, lessons learnt from previous enterprise deployments have to be incorporated into the piloting process. Only then can such rework be reduced or perhaps avoided altogether. In this light, gaining a third-party viewpoint and access to best practices is a great investment, reducing wasteful duplication of effort.

## Shelfware

Enterprise software is only valuable in use. Failed and underused enterprise software becomes a liability and adds little or no value to a business, becoming a depreciating 'asset' on the balance sheet. Shelfware (as this form of resource wastage is known) comes in three forms:

1. Enterprise software used somewhat (underused)
2. Enterprise software which is purchased but not used
3. Enterprise software never even installed (despite being evaluated and paid for)



What percentage of software that you purchase is not implemented/unused by users/underused by users?

The survey found shocking average levels of all three, with an estimated 17% of software being underused, 12% implemented by IT but not used by the business and, in addition, 9% of purchased software never even implemented. The last finding in particular equates to paying almost a tenth more than necessary for enterprise software – a costly proposition in any economic environment.

What are the major reasons for shelfware in your organization?	Rank
Software implementation issues	1
Training issues	2
Hardware Provisioning issues	3
Change of business requirements	4
Too many licences bought from vendor	5

One of the most common reasons for shelfware is training (ranked second), although both software implementation and hardware provisioning (first and third ranking issues) could also be alleviated with targeted technical training.

Given the three degrees of shelfware, varying from underuse to no use, organizations should undergo regular training assessments to pinpoint which skills need to be transferred to which employees. The use of continual professional development (CPD) techniques, possibly administered remotely via web-based learning, can help to design training plans which reduce shelfware over time by filling in the gaps identified by such assessments. The removal of training as an excuse for not deploying enterprise software will throw the spotlight on other issues and, as such, could result in enterprise software budgets being better managed.

## Missed enterprise software upgrades

Enterprise software has the potential to create innovative changes in business processes. New functionality adds competitive advantage and upgrading software can often add real business value to existing applications.

Conversely, when enterprise applications are not deployed on time, the cost and effort to design, code and test enterprise software is wasted. The real loss though is the competitive advantage which new applications bring to propel a business into a new market, deliver a service innovation or reduce operating costs.

Today's acceleration of IT development cycles has changed the expectations placed on enterprise IT teams who are struggling to keep up with this demand. However, deploying enterprise software is tough as we have seen, with as many as 38% of pilot projects in those surveyed being re-architected before going enterprise-wide.

Once deployed in production, enterprise software needs regular patching and updating. Another major hurdle to business innovation is the delayed deployment of new software versions. When asked what issues were preventing the latest versions of enterprise software from being deployed, 8% of survey respondents cited training issues, twice as many as those who cited end-user resistance as an issue and 51% said that implementing a structure training programme for end users would improve enterprise deployment rates.

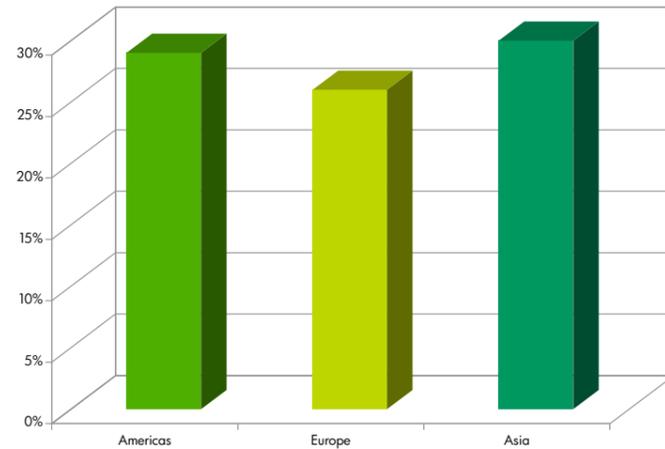
What would improve your IT team's ability to deploy software enterprise-wide?	All respondents
Implementing a structured training programme for users	51%
Use industry best practices deployed by software provider	42%
Use industry best practices deployed by internal team	42%
Use industry best practices deployed by third-party services vendor	36%
Increase the proportion of enterprise apps hosted on cloud	26%

In order to improve enterprise-wide deployment, the statistics showed end-user training would help the most (selected by 51% of respondents). Sharing industry best practices also rated highly at 42% and equally rated was delivery directly by the software vendor or internally (if the skills are available) but lower ranked was delivery via a third-party vendor (36%).

This clearly indicates that those closest to the technology i.e. the vendor and the internal team can share best practices most effectively. Regular skills assessment by educational professionals with the right degree of product understanding is essential to remove this hurdle to enterprise deployment.

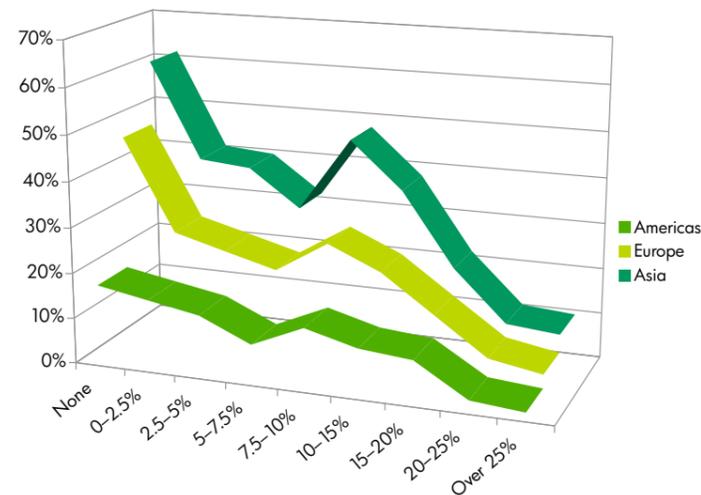
## Training budgets exposed

Some 21% of capital expenditure was transferred from capital expenditure on infrastructure to operating expenditure last year. This is the budget which runs IT and trains the IT teams tasked with delivering business value. But is enough of this budget being spent on IT training?



IT training budget as % of total IT budget

Perhaps unexpectedly, these figures prove that, on paper at least, training is actually well-funded. A lot of resources are being spent on training and it accounts for 28% of the total IT budget of those in the survey. There are some significant regional differences here with Europe (26%) spending less than Asia (30%) and the Americas (29%) on its training. Overall though, spending a quarter of all IT budget on training seems generous, so how well is that budget allocated?



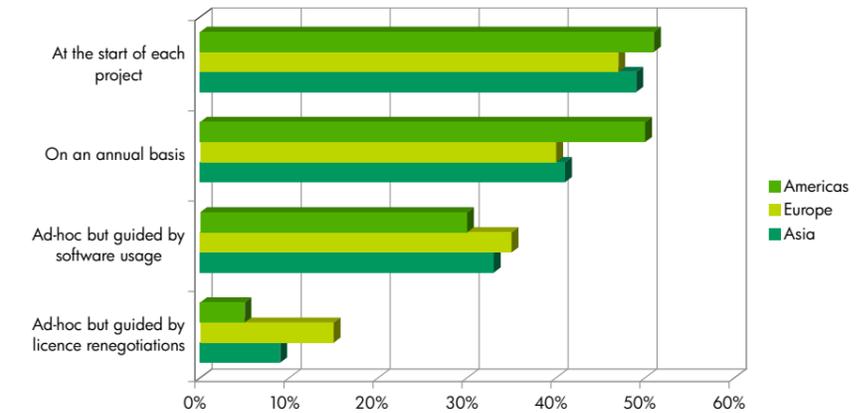
Surplus enablement/training budget at year-end

One clear demonstration of the undisciplined approach to IT training is in budget monitoring. Although education is clearly needed to alleviate shelfware, standardize processes and upgrade software in a timely fashion, the existing resources are not being used up. In fact, training budgets are just not being fully spent.

Across the survey, an average of 7% of IT training budgets remains unused at year-end. This could be for a number of reasons; perhaps there is a 'use it or lose it' attitude to budgets or training is regarded as a 'buffer' for spare IT funds in case of shortfalls elsewhere. Whatever the reasons, on a global basis this adds up to several billion dollars of unspent training funds representing a massive missed opportunity.

## How and when to train

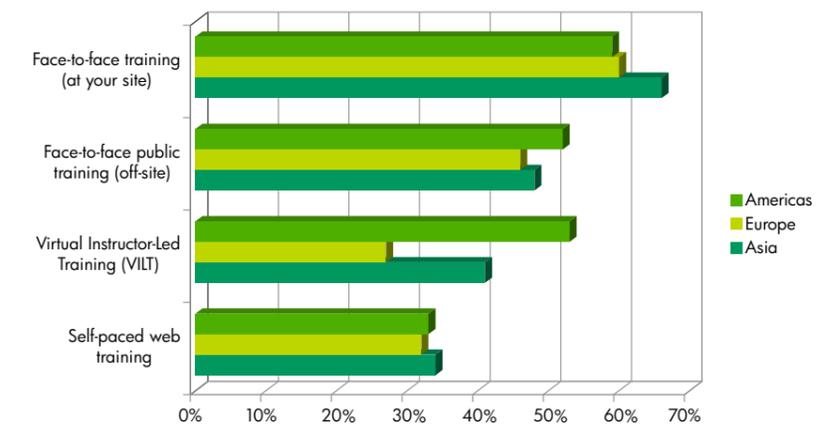
This research proves enterprise software is underused and that training challenges halt enterprise-wide deployment. Another issue is that training plans are largely based on what is being used today, rather than what is strategically required in the future.



"How often do you reassess your training needs?"

The survey found that training needs are reassessed annually by 45% of those polled, on an ad hoc basis (guided only by software usage) by 31% of IT executives but on a project by project basis in the majority of cases (51%). This indicates a reactive approach to training assessment, rather than a proactive approach based on what will deliver long-term business value.

Given this lack of timely training, it is not surprising that many users see enterprise applications as needlessly complex tools to be used only during working hours and even then as little as possible. Ironically, in their own, non-work time, many are teaching themselves how to interact with complex consumer applications and games.



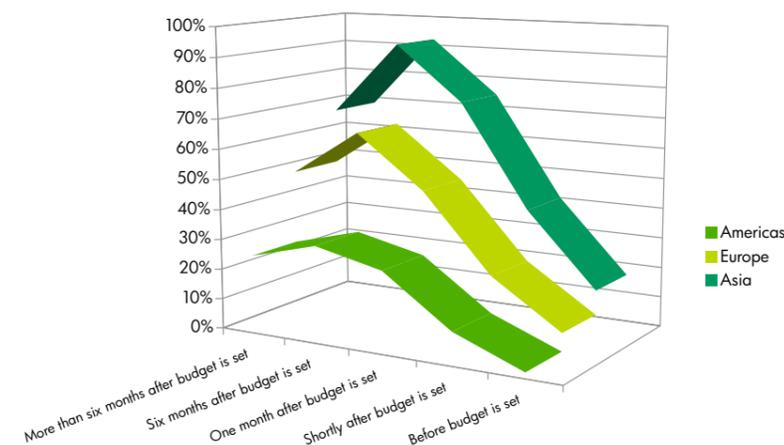
Methods of training used

To provide more flexible 'on demand' delivery, just like enterprise software itself, Education is now also 'cloud-enabled' with the adoption of remote training in various guises, over the internet. This helps both with budget flexibility as fixed costs decline and with synchronizing IT training to software deployments.

While the majority of training is still taking place face-to-face on-site in the traditional workplace-based mode, Virtual Instructor-Led Training (VILT) where a live person guides the trainees, and self-paced web training are significant methods, with VILT being particularly strong in the technically advanced Americas region.

Harnessing the power of self-paced web training, or VILT, which currently appears as third most popular delivery mechanism, is compelling. Using this technique combines freedom of location – given a good internet connection – with the ease of use of many modern apps. HP and other pioneers of VILT believe this offers a cost-effective way to combine individual coaching with broadcast capabilities to train large teams rapidly, but with high quality.

The use of modern educational techniques and proactive planning to align Education with rapidly changing business needs and to manage budgets more tightly can positively impact the use of IT training in most organizations. End-user training has a role to play here in driving adoption of new enterprise software. Given the importance of training in overcoming the service quality hurdles facing many IT organizations, the ability to enhance training in this way pays dividends for IT and its business partners.



Training plan timings

So how well structured are training plans? Not very. According to the survey, only 23% of training plans are decided by the time the IT budget has been set. However 55% of organizations do agree plans by halfway through the year, giving between 1 and 6 months to execute their plan. However this still leaves 22% who do not agree training plans by then and 3% who never do.

Whilst it is always good practice to fine-tune all plans once a budget has been agreed, as training is critical to successful enterprise software deployment, this failure to plan ahead may have unforeseen repercussions. No locked-down plan leaves training budgets exposed to cuts. As well as cuts though, IT budgets could rise (as they did last year with the uplift in operating expenditure) and some organizations, without an IT training plan in place, may miss out on the opportunity to increase their training plan and so introduce better IT services. With IT education as with much else in business a failure to plan leads to a plan for failure.

## Conclusion

**Although well-funded, IT training is not a well-managed IT resource. Given the clearly identified links between poor training and the issues which affect the IT services for enterprise software, this is an area where improvement will yield results across the enterprise. Proactively managing IT education as a strategic resource is a proven way to improve the quality of service that the IT function delivers.**

## HP Software Education Services

Effective use of IT is only possible with educated users who can extract greater sustained value from their software investments. Staying ahead of IT innovations requires rapid and effective deployment of the latest knowledge. HP Software Education Services is an innovative learning organization producing world-class training. Its mission is to become the 'school of excellence' for professionals who want to learn how to assure better business outcomes.

HP Software Education Services delivers globally via over 100 HP training centers, customer sites and increasingly using online virtual courses. This smart use of technology is reflected in the range of its offerings, which allows it to transfer knowledge to IT professionals and users via the delivery options and to the curriculums most appropriate for their organization:

### Public Training – easy cost-effective access

HP Software operates public training centers for all levels from beginners to experts, at facilities across the globe as well as through a network of Authorized Training Partners (ATPs). Each course provides students with hands-on experience and is lab-based to keep your learning practical and focused on your organization's goals.

### Private training – let the knowledge come to your base

With face-to-face tutoring, the 'classroom at the workplace' is an approach which suits the working patterns of many larger organizations. With little disruption to your normal working procedures and highly interactive 'face-to-face' advice, this is the most popular option for wide-scale programmes.

### Virtual Instructor-Led Training (VILT) – cloud computing delivers quality training anywhere

Combining the benefits of a live expert with the convenience of remote learning over a web connection can cost-effectively train large teams without adding to your carbon footprint. HP's experienced trainers can cope with a wide range of subjects, abilities, languages and time zones, making this the new de facto way to deliver expert knowledge.

### Training Units – flexible payment option

Using course-transferrable Training Units allows an organization to invest in training when budgets permit and to adapt training plans as the business dictates. With Training Units, rather than lose budget at year-end you store it for up to 12 months, allowing you to fit training around your organization's busy periods and maximize the use of your budget.

## For more information

To learn more about training from HP Software Education Services please visit [www.hp.com/software/education](http://www.hp.com/software/education)

Or contact us:

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