

Using Training Partners SIG – Mar 30

SIG Chair - Aarthi Ram





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Evolution of a Training Partner Program: Best Practices and Pitfalls

Case study on
Mercury Interactive & HP Software
By Franz Obermeier

About Mercury / HP

- **Mercury Interactive** is a Software Company
- Offerings include Application Quality Testing and Performance Testing Software, as well as System Monitoring Software
- Later added Project and Portfolio Management Software for a complete “BTO: Managing IT” offering through acquisition
- **Acquired in 2006 by Hewlett Packard** and became “HP Software”

About our Training Audience

- **Employees with a strong technical background** implementing and managing the applications
- **Employees with a non-technical background** as subject matter experts for the application domain (finance, order management,...)
- **Software Developers** involved with functional , performance, and integration testing
- **System and network administrators** managing the infrastructure that is performance tested and monitored

About Myself

- With Mercury since 2001
 - (5 employees in Education)
- And still with HP in 2011
 - (~90 employees in Education)
- Roles
 - Trainer, Courseware Developer
 - Project and Program Manager
 - Operations & Applications Manager
- Being “Shadow IT” allowed me to be involved with all programs, projects, and initiatives in these 10 years

Agenda

- Phase 1: Happy for Every Resource
- Phase 2: Formalizing the Program
- Phase 3: Scaling the Program
- Phase 4: Partners as Extended Workbench
- Lessons Learned
- Questions?

Phase 1: Happy for Every Resource

- **Our Goal:**
 - To establish a formal training channel and branding
 - To “fold in” consultants who already taught our courses and created their own materials
 - to increase the number of trained consulting and training resources in the services eco-system
- **Our Partner Audience:**
 - Consultants who already delivered classes for us, and the first resources at client side
- **Fees:**
 - No program fees
 - Cost recovery on certification and training materials
- **Training Materials:**
 - Were provided to all partners for cost of printing and shipping
- **Certification:**
 - Separate product and (technical) Instructor certifications

Phase 2: Formalizing the Program

- The program was changed into a P&L (cost recovery)
- Our Goal:
 - To raise the quality of instructors
 - Cover cost for course development to close our portfolio gaps
- Our Audience:
 - Service partner organizations with their own facility
 - Instructors: Looking for instructor-only resources instead of consultants who also teach
- Fees:
 - CTP program fees
 - Cost recovery on training materials
 - Certification fees as an entrance hurdle for instructors, with lower upgrade pricing
- Training Materials:
 - Were sold to certified partners for cost of printing and S&H
- Certification:
 - Several Product and version specific certifications and a general instructor certification

Phase 3: Scaling the Program

- The program was changed into a revenue P&L
- Our Goal:
 - To generate revenue and cover cost for all internal content development
 - Limit the training partner program so we take majority of revenue; not interfere with our own training delivery
 - Raise training quality
- Our Audience:
 - Training Partners with their own Facility (training-only partners)
- Fees:
 - CTP Program Fees & Facility Fees
 - Purchase of training materials as revenue share (from 13,000% to 400%)
 - Certification fees as an entrance hurdle for instructors, with lower upgrade pricing
- Training Materials:
 - Were sold to CTP partners only for cost of printing and S&H
- Certification:
 - Product version specific certifications and instructor certification

Phase 3: Scaling the Program

- CTP program contract with “Teeth”
 - Facility Standards (class room and PCs)
 - Minimum training book orders
 - Minimum instructor scores
- CTP program benefits
 - Free software licenses (12 seats per facility)
 - Certification discounts
 - Marketing on our website and promotions
 - Partner branded materials
 - Perks: discount on registration for worldwide user conference
- Certification:
 - Separation of certifications into technical “user level” and “consultant level” and instructor certification

Phase 4: Partners as Extended Workbench

- The program was changed from a “revenue share” model into a “revenue funnel” model
- Our Goal:
 - Bill all training as HP training, and increase stated revenue
 - Added access to customers handled by partners
- Our Audience:
 - Training Partners with their own Facility
- Fees:
 - CTP Program Fees
 - All revenues processed through us, partners invoice us for their revenue share
 - Higher partner share on leads
- Certification:
 - Product version specific certifications and instructor certification

Lessons Learned

- **Protect your IP; Always!**
 - It's never too early to watermark materials and restrict distribution of electronic materials
- **Protect your program insignia**
 - Website and business card logos should include a year
- **Price increases**
 - If training partners are also software resellers, expect blow-back through the sales-channel
- **Partners of other departments**
 - If training partners are also consulting partners, expect services and partners to run their side-deals
- **Certifications per individuals or partners**
 - Difficulties to track certified individuals and which partners they are working for
- **Version overlap**
 - If certification exams are version specific than plan for transition phase
- **Start lead management early**
 - To get all partners into the habit of “our customers” not “my customer”
- **Going from revenue share to revenue funnel increases revenue but kills margin**

The End

**Thank you!
&
Questions?**