

The value of IT Certification



Contents

1 Overview of IT Certification
2 Value to Organization
5 Value to Individual
7 Value to Solution Provider
9 Summary
10 Recommendations

Introduction

Certification has long been used by individuals and the companies that employ them as a differentiator in the IT Industry. As competition increases and the marketplace shrinks, ensuring a highly-skilled, efficient workforce is mandatory.

While a job requirement is often a key reason cited by IT professionals for attaining formal accreditation, certification offers several other advantages for both individuals and companies including:

- Increased income/profit potential
- Greater individual and team productivity
- Industry credibility
- Reduction in support costs
- Respect and admiration of peers
- Entrance into a community of like-minded professionals

This white paper provides an overview of IT certification for the organization, individual and solution provider and discusses the benefits professional accreditation may provide you, your company and your partners.

Overview of IT Certification

Predicting large-scale, worldwide trends on the value of IT certification is difficult. Opinions surrounding IT certification vary depending on geography, company strategy and the product it supports. Professionals and vendors alike agree that IT testing provides an objective means of assessing technological capacity in a specific job role using a particular product, or products.

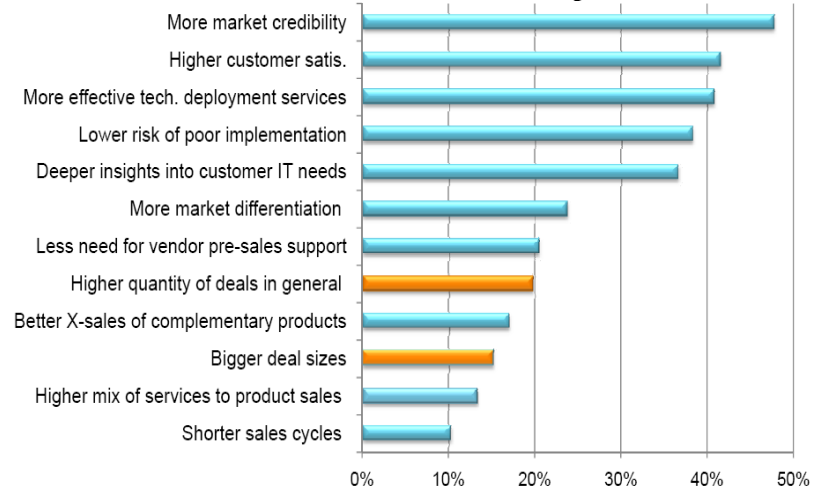
The question becomes, what is the value of certification once achieved. The qualitative value is undeniable: a certificate demonstrating that an individual has attained the industry-wide approved skill set in a given technology. But is there quantitative value?

When a company invests in vendor technically certified staff, it experiences multiple benefits that can be evaluated in terms of ROI. Those most often

In response to IDC surveys, 66% of managers believe certifications improve the overall level of service and support offered to IT customers

realized are market credibility, customer satisfaction and effective customer support.¹

Table 1: Certification Value & ROI: Partner Perspective



Source: The Value of Training and Certification, Amazon Consulting, 2009

Value to Organization

Long Term Savings

Though the cost of paying for certification training and testing is a deterrent for some employers, generating learning and growth opportunities for employees is key to creating greater loyalty and job satisfaction. This in itself saves money over the long term, since it is less expensive to retain employees than recruit and train new hires.

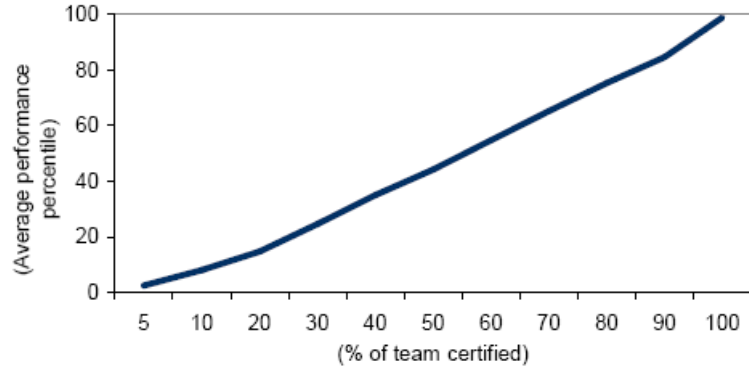
Increased Team Performance

A team's effectiveness is correlated to the percentage of applicable IT certifications held.

In response to IDC surveys, 66% of managers believe certifications improve the overall level of service and support offered to IT customers. Similarly, 75% say certifications are important for team performance. Research shows that with a sufficient percentage of team members certified, IT organizational performance can increase by an average of 11 percentage points.²

IT teams take a more active role in their companies than they did a decade ago. Maximum performance is essential in order to improve operational efficiency and reduce costs

Table 2: Relationship Between Performance and Percentage of Team Certified Covering all IT Functions



N=5,534. Source: IDC's Training Impact Survey, 2008

Functional IT competence, measured by certifications, positively impacts IT organizational performance. IDC's Training Impact Survey proved this by taking the following functional areas into account:

- Deployment
- Development
- Management
- Security
- Support
- Storage³

IT teams take a more active role in their companies than they did a decade ago. The economic climate dictates companies work smarter to gain market share and improve revenue. More often than not, IT teams are responsible for business transformation through the deployment and management of companies' technological tools. Maximum performance is essential in order to improve operational efficiency and reduce costs.

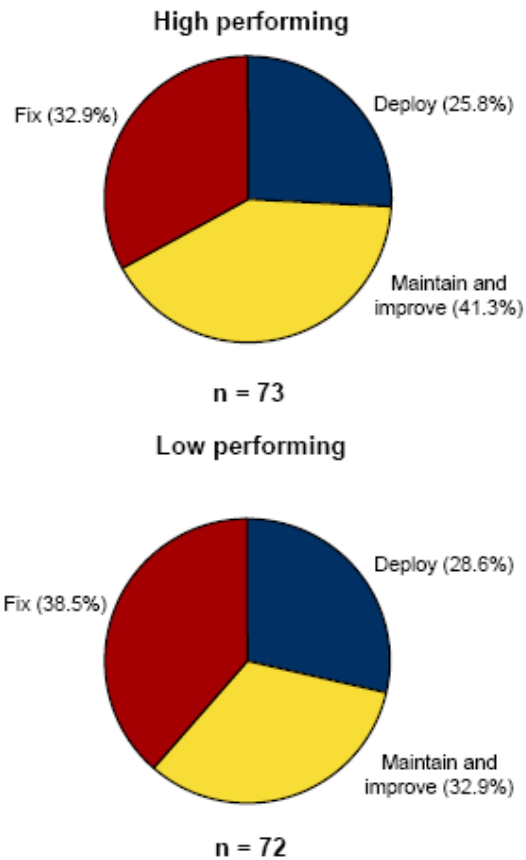
Stretching Time Further

Utilizing time effectively and efficiently is accomplished two ways: reducing network down-time and ensuring the IT team is proactive rather than reactive. When network systems and applications are unavailable the entire company's productivity is impacted. Unscheduled downtime is about 20% lower at organizations with more certified IT staff.⁴ IT staff who are not spending their

High-performing teams spend less company time deploying and fixing systems and more time maintaining and improving the IT infrastructure

time fixing a system – or trying to figure out how to fix a system - can invest more time on improving or enhancing the IT infrastructure which increases productivity company-wide. The following charts show high-performing teams spend less company time deploying and fixing systems and more time maintaining and improving the IT infrastructure while low-performing teams spend the majority of their time fixing systems.

Table 3: Comparison of High- and Low-Performing Teams: Allocation of Time



Note: Teams spend an average of 191 hours per month on these activities

Source: IDC's Training Impact Survey, 2008

Disadvantages

Some organizations do not have the budget to allocate to certification preparation for their employees. In this case, the financial burden of certifying resides with the individual. Given the data on reduced company productivity it is easy to argue that an organization should invest in – at the very least – time for employees to prepare for certification. With enough skilled employees, team

Overall, professionals who had earned an IT or project management certification during the last five years earned an average of \$5,242 more than their counterparts

performance will be enhanced; thus saving the company time and money for the long haul.

Value to Individual

Many certified professionals view a new accreditation as a feather in their cap. No doubt certification titles lend themselves to bragging rights, especially among the more highly-skilled, specialized job roles; however, this is by no means the main reason for individuals to pursue IT certification. The primary reasons include increased employability, greater growth potential and networking opportunities.

Increased Employability

Globalization and economic realities have made the IT job market highly competitive. For those just starting out – or even seasoned professionals – demonstrating proof of technical competency to a prospective employer is a must. IT certifications provide an industry-wide recognized method of doing just that. Not only do certificates provide a snap-shot of the skills possessed by an individual, but they also provide evidence of the determination and ambition of the professional themselves. Certifications enhance the personal brand of an individual.

Greater Potential for Growth

New, cutting edge technology becomes stale faster as development cycles speed up and newer products are released. This quickening of product generation creates a skills-gap in some areas. Employers often can not find people who understand the newest and best technology at the pace required. Individuals who keep their IT certifications current can fill this gap. Keeping up with certifications not only enables the individual to stand out professionally, it may also lead to greater compensation. Overall, professionals who had earned an IT or project management certification during the last five years earned an average of \$5,242 more than their counterparts.⁵

Individuals who increase their effectiveness and scope in the workplace not only improve their performance on the job, but can command greater compensation and enjoy greater job security.

Networking is key to career development and the ability to exact special privileges from IT companies sponsoring certification can be a huge benefit to those just entering the workforce as well as more established professionals.

Networking Opportunities

Once individuals have attained IT certification, they join a group of skilled professionals who also hold that credential. Typically this group is diverse: a global network of world-wide professionals which may be large or small depending on the nature of the certification. Products that are highly specialized, newer or demand a more advanced level of training typically have fewer certified professionals.

Many IT vendors invest time in building – and rewarding – a community of IT certified professionals. Benefits to the individual may include special offers unavailable to the general public, access to pre-release products and a multitude of other bonuses for the certified community. The benefits vary considerably from company to company. An individual should research not just the employment and advancement opportunities associated with a given IT credential but also the programs a company offers to those who attain one or more certifications.

Leading certified professionals leverage social networking sites to create their own communities. Independent of specific vendors and products, these sites are open only to other certified individuals. These communities serve multiple purposes, including: helping members find jobs, acting as springboards to in-person events, or solely as online gathering places for like-minded professionals. In this way, certification opens doors to previously inaccessible communities.

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Disadvantages

The disadvantages of IT certification for individuals are similar to those of organizations: cost and time. In some instances, an employer may share in the cost to an individual.

IT vendors often try to mitigate the cost factor. Many certification programs offer discounts at conferences or coupled with training. Given the previously discussed benefits, the cost of IT certification pays for itself relatively quickly.

Investing the time to prepare and obtain IT certification can prove beneficial in terms of improving an individual's overall marketability and productivity.

IT certifications require different preparation methods. The time needed to prepare and take a test varies greatly depending on the certification being pursued and the experience an individual already has with the product. Since most IT certifications require hands-on experience, on-the-job training will often suffice for seasoned professionals. Once individuals familiarize themselves with any prerequisites, they will be able to estimate how much more preparation they need, and how long it will take.

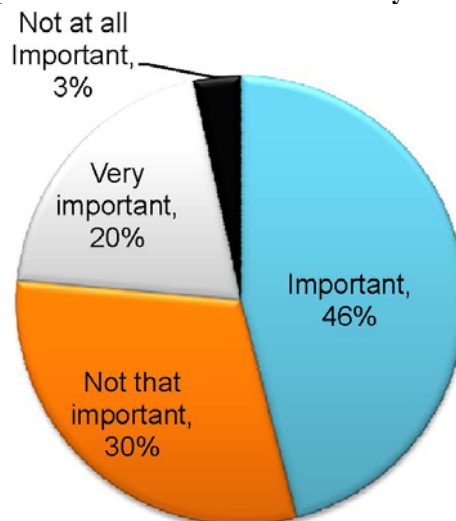
Investing the time to prepare and obtain IT certification can prove beneficial in terms of improving an individual's overall marketability and productivity. It can also open doors previously inaccessible by providing an opportunity to network within new professional peer groups.

Value to Solution Provider

Channel partner relationships vary considerably depending on factors outside the scope of this paper. For our purposes, a "solution provider" is defined as a company whose expertise is leveraged in some capacity – vendor, service provider or reseller – by other organizations.

In a study of end-users, 66% said that IT certifications are very important or important.⁶

Table 4: How Important are technical or IT Industry Certifications



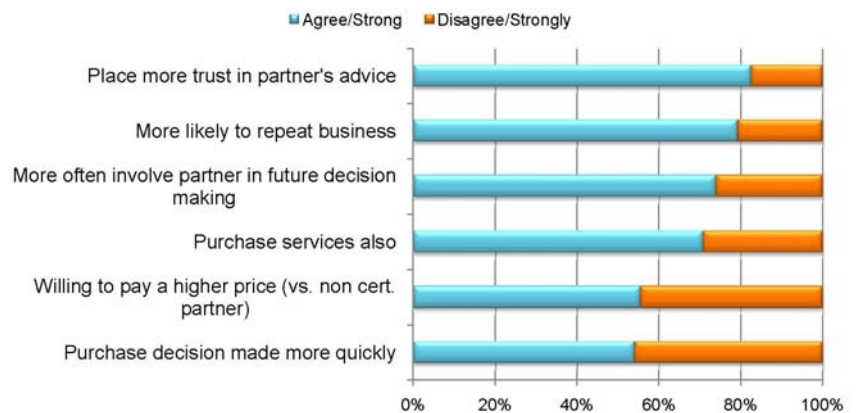
Source: The Value of Training and Certification, Amazon Consulting, 2009

Over 80% of end-users place more trust in the partner's advice when working with a solution provider that holds IT Certifications; and close to 80% are more likely to leverage the partner on other engagements

Many IT vendors have picked up on this and have created programs encouraging solution providers to hire IT certified staff. Indeed, in order to qualify for certain business partner programs – especially among software resellers – a company must have a certain number of IT certified professionals on staff. This intends to ensure a high standard of service is being delivered to all clients, and that solution providers themselves possess a distinguished level of expertise in the vendors' product.

In addition to the potential to achieve greater status with an IT vendor, certified partners' advice is highly valued and, depending on performance, they get more repeat businesses and services than partners with non-certified staff. A recent study shows that over 80% of end-users place more trust in the partner's advice when working with a solution provider that holds IT certifications; and close to 80% are more likely to leverage the partner on other engagements.⁷

Table 5: Value of Certified Partners: End User Perspective



Source: The Value of Training and Certification, Amazon Consulting, 2009

Establishing client trust is necessary for a solution provider to have any degree of success. Ensuring employees hold relevant IT certifications goes a long way toward building that trust before an engagement begins. Given the volume and complexities of partner relationships in the industry, repeat business is vital to staying solvent and successful in the marketplace.

Disadvantages

Depending on the training programs available, solution providers may opt to pay for their employees to get certified. This creates expense. However, when IT vendors demand that partners become certified in order to, for example, resell

Increased team performance benefits an organization in terms of output, an individual in terms of job satisfaction and - in the case of a solution provider - decreases their involvement in the project which increases their client load capacity

their products; deep discounts may be available to qualifying solution providers. This helps to defray cost.

Time away from work may impact productivity if solution providers allow employees to prepare and test during business hours. But, like time invested in employees at any other company, the short term productivity loss is offset by long term gain when measured by the increased trust of clients and the repeat business which certified solution providers often command.

Summary

Clearly there are benefits and disadvantages to IT certification for organizations, individuals and solution providers. Many apply to more than one group.

Increased team performance, for example, benefits an organization in terms of output, an individual in terms of job satisfaction and a sense of accomplishment and - in the case of a solution provider - decreases their involvement in the project which increases their client load capacity.

This chart summarizes the key benefits and disadvantages to each constituent as outlined in this paper. Disadvantages could apply to one of three entities. If individuals work for a company which will reimburse them for training, for example, the cost of preparatory training would not be an inhibitor to the individuals but may be a mitigating factor for the organization or solution provider.

Table 4: Benefits and disadvantages of IT Certification

Benefits	Organization	Individual	Solution Provider
Long Term Savings	●		●
Increased Team Performance	●	●	●
Stretching Time Further	●	●	●
Increased Employability		●	
Greater Potential for Growth	●	●	●
Networking Opportunities		●	
Relationships with end-users			●
Status with IT Vendors			●
Trusted Advice	●	●	●
Repeat Business	●		●

Individuals seeking IT certification should check with their employers to see if they cover any costs. They should also consider not only their current position, but where they want to be in the future

Disadvantages	Organization	Individual	Solution Provider
Cost of preparatory training	●	●	●
Exam fees	●	●	●
Time to train / prepare	●	●	●
Time invested in taking the test		●	

Recommendations

Given current market conditions, organizations and individuals must consider the costs and benefits of investing time and money in differentiating themselves from the competition. An effective way to do this is through IT certification. For organizations, the investment is recouped quickly through higher team performance including reduced down time and increased system improvements. For an individual, short-term benefits include greater job satisfaction and an increased networking pool, while long-term benefits include a higher earnings potential which could defray any initial investment.

Individuals seeking IT certification should check with their employers to see if they cover any costs. They should also consider not only their current position, but where they want to be in the future. IT certification can serve as a stepping stone in career progression.

Research IT certifications offered in your field of interest, as well as all available preparation materials in order to gauge whether the accreditation is a good fit for you. Since there will be an initial investment involved, it is wise to pursue an IT credential that will serve you now and in years to come.



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For more information

To learn more about how IT Certification can help you achieve greater growth potential as an individual, company or solution provider please visit <http://www-03.ibm.com/certify>.



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Endnotes

1 Amazon Consulting, The Value of Training and Certification; A Triangulated View from End-users, Partners and Vendors, Executive Summary, June 2009.

2 IDC, Impact of Training on Network Administration: Certification Leads to Operational Productivity Survey, Doc # 220563, November 2009.

3 IDC, Impact of Training on Network Administration: Certification Leads to Operational Productivity Survey, Doc # 220563, November 2009.

4 IDC, Impact of Training on Network Administration: Certification Leads to Operational Productivity Survey, Doc # 220563, November 2009.

5 Global Knowledge Training LLC, 2010 IT Skills and Salary report, 2010.

6 Amazon Consulting, The Value of Training and Certification; A Triangulated View from End-users, Partners and Vendors, Executive Summary, June 2009.

7 Amazon Consulting, The Value of Training and Certification; A Triangulated View from End-users, Partners and Vendors, Executive Summary, June 2009.