

Business Plan



Mike Bridwell

Project Summary

- Business goal for NexTone University revised from registered- and certified-focus to customer-enablement-focus, as well as channel partners and employees.
- Commitment to free training through 2006 will be honored, but no longer promoted. (*Should discuss impact of raising prices gradually during Q4 with sales.)
- Underlying mindset toward budgeting changed from “expenses justified by evangelism” to “best value for expense”
 - includes re-examination of LMS vendor
 - includes bringing curriculum development skills in-house rather than outsourcing
- NexTone University goal to change from certifying candidates to metrics targeted to customer satisfaction and transfer of performance outcomes
- Preceding and current course content development still valuable. Impacts to development plans for future architecture.
- Current open trainer position to change to a position with a primary skill to develop curriculum with strongly desired skills to project manage all development efforts and act as a backup trainer.
- Infrastructure will be in place to support NexTone University’s student population with
 - online course management
 - a variety of delivery methods: instructor-led, online, distance-learning

Executive Summary

NexTone University (NexTone U.) is the training and certification organization of NexTone Communications®, the leader in distributed and intelligent session management solutions for VoIP and other real-time IP services.

Mission Statement

The primary mission of NexTone University is

- To enable NexTone product users to maximize their understanding and use of their NexTone products and services.

“Users” is to be understood, in its broadest sense, to include anyone who “touches” a NexTone product - NexTone employees, NexTone partners’ staffs, and direct or indirect NexTone customer’s staffs.

“Maximize” is to be understood as advancing or completing the understanding and/or application of a user’s knowledge and/or skill, leading to ease-of-use, system efficiency, and/or customer profitability.

Business Background

The Company

NexTone Communications develops carrier-grade products for delivering scalable control of real-time IP services, such as voice over IP (VoIP). NexTone's solutions enable carriers, service providers, and enterprises to securely, simply, and cost-effectively interconnect networks for end-to-end control and management of IP traffic. NexTone's real-time IP technology is installed by more than 370 service providers and enterprises worldwide to dramatically reduce capital expenditures and deliver ongoing operational efficiencies such as reduced interconnect "turn-up" time and simplified network operations.

The company is headquartered in Gaithersburg, Maryland, USA, with domestic and international sales offices worldwide.

More information on NexTone Communications is available at www.nextone.com.

Key Stakeholders

MK

MK is the Chairman and Chief Executive Officer (CEO) of NexTone Communications. K. joined NexTone in September, 2005 to lead NexTone's strategic vision and to further advance the company's already strong market position. K. joined NexTone with an extensive history in the telecommunications and networking industries. He has served in various executive positions in engineering, sales, marketing, and manufacturing for General Electric (GE), Motorola, Indus River Networks, Sitara Networks, and Converged Access.

K. was previously the CEO of Converged Access. While at Converged Access, he helped develop a family of traffic management products focused on serving large enterprise VoIP networks. K. is experienced with startups, launching Indus River Networks (sold to Cabletron in 2001) and Sitara Networks (sold to Converged Access in 2004) at OneLiberty Ventures. K. began his career at General Electric, and spent 12 years at Motorola as vice president and general manager of Motorola's Network Systems Division. At Motorola, K. played an instrumental role in creating two major new product businesses: a frame relay access device business and a cable modem/CMTS business.

YJ.

YJ. is the President and Chief Operating Officer (COO) for NexTone. J. joined NexTone on June 1, 2006 to will work with Global Sales, Marketing, Business Development and Operations to drive the next phase of NexTone's growth and market expansion in the session management space.

J. joined NexTone with an extensive history in the telecommunications industry, including time as the co-founder and principal of Potomac Venture Partners, specializing in new venture start-ups in telecom, including Internet service providers (ISPs), equipment vendors, and wireless companies. Prior to Potomac Venture Partners, J. served as the President of Sprint International, where he was responsible for running all of the corporation's businesses, including its wholly-owned network and service offerings, investments, alliances, and voice and data interconnect relationships outside of the U.S. J. also held executive positions with Primus Telecom, GE Capital Service, MCI, and Overseas Telecom Inc. He holds Bachelor and Master of Science degrees in engineering from the Massachusetts Institute of Technology (MIT), and a Master of Business Administration (MBA) from the Harvard Graduate School of Business.

LS.

LS. reports to MK. as Vice President of Operations. In this position, S. plays an integral role in launching several strategic initiatives for NexTone Communications, including NexTone University. Additionally, S. also has significant responsibility over the interoperability and certification lab.

S. most recently served as senior vice president of Network Management Services at New Global Telecom Inc., where he successfully increased the company's VoIP revenue by 450 percent in seven months. He also oversaw the organization's rapid global growth and the launch of its iPartition service, based on NexTone's technology. Spanning nearly 20 years in telecommunications, his career also includes positions at PT&T Telecom, Carriers Group Inc., ICG, and Pacific Bell. He holds two B.S. degrees in Mechanical and Aeronautical Engineering from the University of California at Davis.

Mike Bridwell

Mike Bridwell reports to LS. as Director of NexTone University. In this role, Bridwell is responsible for further developing NexTone University's infrastructure and curriculum, while ensuring that NexTone U. keeps pace with the rapid and aggressive growth of the company.

Bridwell joined NexTone in January, 2006 from Sun Microsystems, Inc., where he was most the Manager of Assessment for Sun's 8,000-employee Global Sales Organization. In his nine years with Sun, Bridwell managed the development of certification programs that resulted in a 5,500% increase in test volumes; set standards through certifications for Java and Solaris professionals; assessed the competency of Sun internal sales representatives and engineers; and tested custom skills sets for Sun customers. He holds a B.A. degree in Philosophy from San Jose State University and a Master of Divinity from Golden Gate Baptist Theological Seminary.

NexTone University

Background

NexTone Communications has provided product training to its customers through onsite instruction and later formal classroom training since its inception. Significant training numbers were achieved in 2005 when trainers accounted for 447 trained and certified students. In November, 2005, NexTone announced plans to train and certify 10,000 engineers. In December, 2005, NexTone announced NexTone University as the vehicle to train the 10,000 engineers.

Change in Goal

In August, 2006, NexTone re-examined its progress toward the 10,000 Engineer goal. (Internally, the 10,000 Engineer goal had been reduced to 5,000.) The results of the examination was that considerable resources were being spent toward reaching the numerical goal and the target audience large enough to reach the numerical goal was not completely comprised of NexTone customers

- students attending free NexTone classes and customers and students attending NexTone classes to support their employers purchase of NexTone equipment had different needs and goals – i.e. the numerical goal was impacting NexTone’s ability to support its customer-base
- Customers, Partners and employees are demanding deeper product expertise – especially as the complexity of the product and the environments in which it is deployed increases.
 - Our newest channel partners are working to satisfy level one demands and must be educated to be successful.
 - We must train employee effectiveness faster with less time demanded upon fellow coworkers.
- ultimate decision to remove the numerical goal and focus on NexTone’s customers’ product expertise.

Training Flexibility

As NexTone’s customer base expands, so do the training needs of those customer. There still is a need for a standard, established curriculum path for someone to train from novice-to-expert. However, there is also a need for flexibility to train specific needs for customer on special topics and even special curricula paths.

To meet these needs, NexTone University must be able to provide a standard progression for those needing to learn from fundamental to advance. Additionally, NexTone U. must be ready to provide specialized training to those needing focused, “deep-dive” training. And, NexTone U. must be ready to meet the changing business needs resulting from expanding strategic initiatives.

Training Flexibility: A Vertical Component

The NexTone Certified VoIP Associate (NVA) is a fundamental course that informs students of the basic fundamentals of media-over-the-internet. It is targeted to those who are starting their progression into VoIP, a description that can include a variety of professionals. This audience can be understood to include **Generalists**, who simply want to know something about VoIP (students, curious learners, out-of-work technologists), to **Telecommunications** or **VoIP Business Professionals**, who have a need to familiarize themselves with concepts, terms, and background necessary for their positions; to **first-time** or **new hire NexTone Operators**, who eventually will progress to more advanced classes with “hands-on,” performance-based operation of NexTone equipment. This latter group would use the NVA class and certification to bridge-the-

gap between their lack of knowledge and the more experienced industry. A full description of the topics for this course can be found in Appendix A.

The NexTone Certified Engineer 1 (NCE1) is the first-level course that is targeted specifically to NexTone customers and prospects. It provides hands-on instruction for managing NexTone products with a beginning to basic troubleshooting and system optimization. A full description of the topics for this course can be found in Appendix B.

The NexTone Certified Engineer 2 (NCE2) continues the training from the point of the NCE1 course. It expands on the initial troubleshooting information to further techniques and methods for optimize and operate NexTone products to maximum capacity. A full description of this course can be found in Appendix C.

These first two engineering courses – the NCE1 and the NCE2 - educate and test critical knowledge necessary to support Tier 1, 2, and 3 carriers and service providers in the operation and maintenance of NexTone’s products.

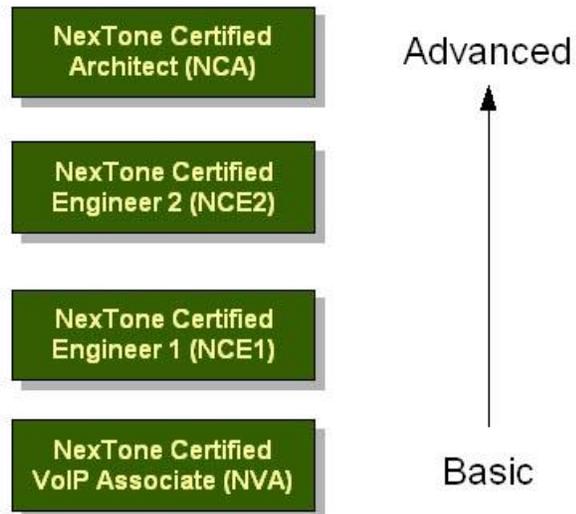
The next level of certification, **the NexTone Certified Architect (NCA)**, certifies key VoIP professionals who design and oversee large scale implementations of VoIP and other real-time services that use session management technology. Although still in the concept stage, the NCA may eventually become two different classes targeted to architects with different backgrounds and skills - one focused on business architectural requirements and the other focusing on more technical, hands-on requirements, depending on the information provided by the needs associated with the analysis of the level. This level of training and certification will reach only the most advanced of business and technical professionals.

Thus, the primary training curriculum for NexTone University will comprise **a vertical architecture** that will progress in four levels from the background fundamentals in VoIP technology to the most advanced technical configurations utilizing NexTone systems.

Training Flexibility: A Horizontal Response

The standard vertical architecture is the primary training path that a NexTone user should follow. However, there are occasions when a particular user may be primarily interested in a single NexTone product, or is tasked with focusing on only one feature (e.g. call routing) but must perform that one task extremely well, or a user perhaps may have failed to understand a particular topic from the standard track and or would like to “dive” deeper into a specific topic.

Vertical Architecture

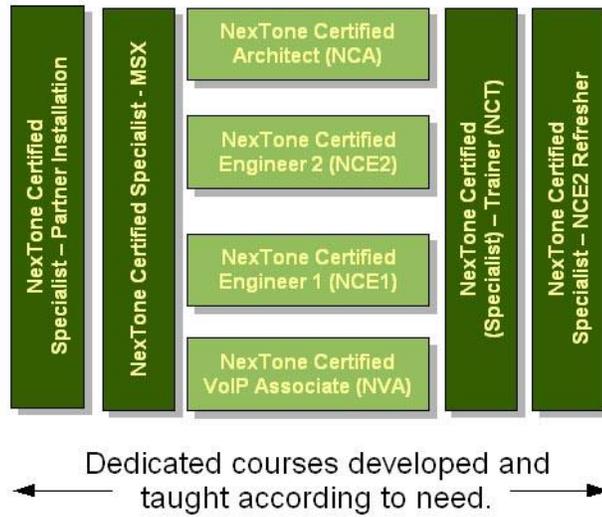


NexTone University must have a way to respond to those needs.

NexTone University will meet these specific needs by offering specialized, focused training on a particular product or feature. These classes fit across a breadth of topics related to NexTone and do not “fit” in the general schedule of the overall training. Some suggested courses in this area are –

- a NexTone Certified Trainer
- an NCE2 Refresher/Course
- an MSX class
- an RSM class
- a NexTone Partner Installation class
- a VoIP troubleshooting class

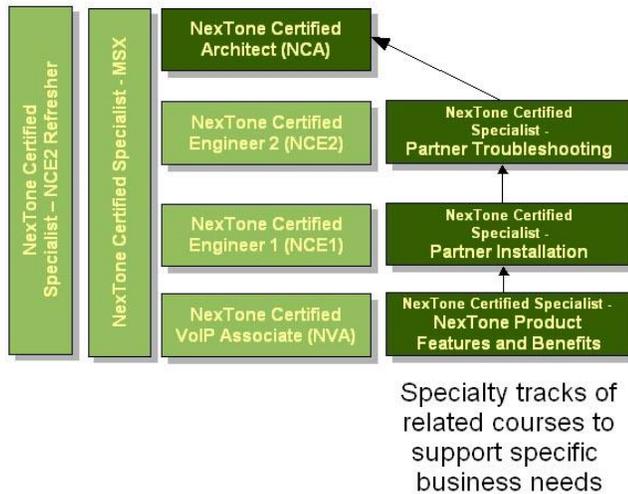
Horizontal Architecture



Training Flexibility: Specialized Training Track

The previously described vertical architecture’s standard learning path and the specialized, individual classes of the horizontal architecture, also leave open the possibility that the strategic business needs of NexTone may require a defined vertical path for a specific audience or to meet a specific need. Thus, NexTone University will also make available the Specialized Vertical Architecture comprised of classes that are grouped together to form a progression of learning from basic-to-advanced in a particular product, feature, or skill. An example of this type of training would be the NexTone Certified Partner Solution Engineer.

Specialty Tracks



This specialty track of training allows supervisors to define job and/or skill training that would provide a clearly defined, vertical path for employees, partners, or customers to make progress and up-level their usefulness to themselves and their organizations.

Certifications

The added benefit of the specialty tracks is that they re-affirm the value of certifications in the overall training plan of NexTone. Specialty track offer the ability to certify competency on an overall group of classes, rather than just on one. Additionally, NexTone could offer an overall certification for anyone who took all the available training offered through the University.

Next Steps

The change in business direction and the subsequent need to re-architect NexTone University's curricula to support three different architectures means that there are changes that need to be made in the composition of NexTone University's internal headcount. These include the headcount dedicated to future trainer positions. Previously, any available trainer was dedicated to class delivery, to the detriment of the Training Manager's ability to ensure quality delivery of courses. The Training Manager will be expected to primarily manage the quality of delivery of the course and provide subject matter expertise to development efforts.

- Curriculum developments need drastically increased. Curriculum development changes from a static three-to-four course effort to a need for "development-on-demand." As well as insuring material in all classes is up to date. A curriculum developer will need to be added to the staff or considerable expenses will be incurred for every course that is developed.
- The curriculum developer role can, however, support different parts of the University's business, including project management, marketing content, and training as needed.
- The LMS, chosen to ensure support for large volumes of customers, will be re-examined. A new option may be chose that may provide adequate support for less expense.
- Currently suggested Curriculum structure demonstrates the need for more classes:

Class	Customer	Prospect	Partner	Employee
NVA (exists)	X	X	X	X
VoIP troubleshooting	X	X	X	X
NCE1 (exists)	X	X	X	X
NCE2 (exists)	X		X	X
Install			X	X
Integrate	X		X	X
Support	X		X	X
Sell			X	X
RSM	X		X	X
NCA	X			X

Business Functions

The NexTone University Program has several business components that drive its success. These components include

- Executive Management – responsible for providing clear direction for University efforts and for providing agreed-to resources for architecting, implementing, and managing them.
- Engineering – responsible for providing NexTone University with product expertise
- Operations – responsible for providing NexTone University with product expertise with an a customer focus
- Sales – responsible for learning about and selling education as a NexTone Communications' product, including charging and discounting according to NexTone University prices and discounts
- Corporate Marketing – responsible for promoting the program as a part of NexTone's overall product offerings
- NexTone University Marketing - responsible for promoting details, features and benefits of the University. (Note: NexTone University Marketing is actually part of the University, but is listed separately here as a contrast to Corporate Marketing.)
- Information Development – responsible for providing accurate and useful documentation from which training materials can be developed. Note: technical documentation from Information Development and training documentation should be consistent in content.)
- Development – responsible for producing training content and associated learning aids (instructor's guides, job aids, presentations, exercises, tests, etc.)
 - Curriculum Development – responsible for the creation of training materials that communicate clearly and effectively for maximum learning
 - Assessment Development – responsible for the creation of certification or testing assessments that yield fair, reliable, valid, and legally defensible results
- Registration and Tracking – responsible as a point of contact for customers who wish to enroll in training and for collecting and administrating student participation, progress, achievement and evaluation.)
- Training – responsible for delivery of instruction of course materials, including student evaluations, and the oversight of the training classroom
- Certification – responsible for ensuring that the assessment of candidates – those seeking certification – is fair, reliable, and valid
- Fulfillment – responsible for delivery of certification awards – certificates, shirts, pens, etc. – to those who should receive them

Function Status: Marketing

The change in business goals will have a drastic affect on NexTone University's Marketing efforts. Prior to the change in business focus, NexTone U. had targeted marketing first toward the communication of NexTone's offer of free VoIP training and secondarily toward communication of the program details. With the change in business focus, the Marketing focus will change to one of informing NexTone customers of NexTone's training offerings and the details of those offerings. It will make less of an effort to generate interest among the disinterested and more to informing those who already are interested to make the right selection and training choice. Again, this will also include equipping Sales to inform their customer-base of the details, features, and benefits of NexTone University training.

Although the output of marketing and the amount of the marketing expenditures will change, the expectation is that the current NexTone University marketing vendor will continue at least through the end of the calendar year. Although NexTone is currently using another vendor for overall corporate marketing, there are no funds currently devoted to NexTone University marketing with

the corporate vendor. We must work with Corporate Marketing to identify the marketing requirements for the university and establish overall project plans.

Function Status: Sales

Sales is another organization that strongly impacted by the changes in NexTone University, other than Marketing and the University itself.

Previously, Sales had used the University in two ways. First, it was used in EMEA and was beginning to be used in Latin America and APAC as a prospect “seeding” tool. Prospects were trained on NexTone’s products, and it was considered that this eased the process of turning these prospects to customers. Secondly, primarily in the U.S., NexTone University classes were included as revenue-generating items that were included on Sales Orders. However, the training was still often included in the deal for free as a “perk” to encourage the customer to sign with NexTone.

List Prices and Discounts

NexTone University recognizes the need to be Sales-friendly and support their efforts to generate the revenue necessary to make NexTone a profitable company. With this in mind, NexTone University is committed to producing classes and associated learning events that can be added to NexTone’s list of products.

Additionally, NexTone University also recognizes the need for Sales to offer training as a perk or to provide discounted pricing.

To enable Sales to have additional products to add to their product portfolio and to enable greater revenue-generating sales by offering training as a sales incentive, NexTone University proposes the following pricing and revenue model for sales related to training.

Self-Paced (Online) Training

NexTone University **self-paced training classes**, offered online and available to the public, will have a list price of \$149.00, but will be offered with various discounts via the NexTone University Learning Management System (LMS) through the end of 4Q07. These offerings include the NexTone Certified VoIP Associate (NVA) online introductory VoIP course, the soon-to-be released NexTone Certified Engineer 1 online course, and any NexTone Certified Specialty courses *offered via the internet*. These courses are listed on the Sales Order using the NexTone Ordering Code of SVC-TRN-WEB.

The purpose of this discounting is to allow Sales training perks to use in their sales efforts.

NexTone University’s *self-paced online training classes* offered **exclusively** for Partners will have a list price of \$149.00, and will be discounted by 90% for a total cost of \$14.90. This includes the planned class covering NexTone products, features, benefits, and competitors. (Note: pricing for public classes that are also included as a track taken by a partner or simply taken by partner personnel, will be sold at the public pricing rate of \$149.00 with a 100% discount.) These courses also will use the NexTone Ordering Code of **SVC-TRN-WEB**.

Instructor-Led Training

NexTone University proposes that *instructor-led training (ILT) classes* will have an overall revenue goal of 50% of list price for the calendar year of 2007. This number will be tracked at the Time Zone level by review of the Sales Orders.

These ILT classes come in three types. The standard NexTone Certified Engineer 1 (NCE1) training class is price listed at \$1,995.00. Future classes at a similar first-level, fundamental level of product or technology composition, that are developed and offered as NexTone Certified Specialty classes, will also be offered at the \$1,995.00 price with an available 50% discount. Sales Representatives will be directed to the NexTone University price list or website (see table below) for a list of classes with their corresponding list price. All these classes use or will use the NexTone Ordering Code **SVC-TRN-R2**.

The more advanced, secondary level of instructor-led training class, including the NexTone Certified Engineer 2 (NCE2) and future advanced NexTone Certified Specialty classes will have a list price of \$2,495.00, and they will have a 50% discount for a price of \$249.95 available through the 2007 calendar. Again, NexTone Sales Representatives will be equipped with an Education Price List that will have each class and its corresponding list price. These classes will use the NexTone Ordering Code of **SVC-TRN-R3**.

The most advanced class in NexTone University offerings is *the NexTone Certified Architect* instructor-led class. It is listed at the price of \$4999. Revenue for this class is expected to be realized at a 50% discount. All these classes use the NexTone Ordering Code **SVC-TRN-R1**.

Special Offers

NexTone University is proposing no changes to special groupings and discounting according to Sales. The two-for-one offer (two students in a NexTone University NCE1 class available at the time of purchase for the \$1995.00 list price of one) will remain in effect. This is, however, now the available price of the NCE1 class and its discount, so Sales is directed to use the **SVC-TRN-R2** Ordering Code. This also means that Sales is no longer limited to only two training seats on their Sales Order. No minimum or maximum number is specified.

Additionally, the SVC-TRN-C1 offer to customers for custom site training for a minimum of five seats, maximum of ten seats plus travel and living expenses for the trainer, will remain in effect. However, Sales should note that the requirements of this service will be much more closely tracked beginning calendar year 2007, and Sales Representatives should note the specifics of this deal: the price of \$1495.00 is a price *per student*, and it *does not include* the travel and expenses for the trainer, which must be collected separately. In fact, the cost for a student to take the site training is \$1,495.00 per seat for four days of training. The NexTone Ordering Code for these costs, minimum of six required with a maximum of twelve, maximum based on the capacity of the customer's classroom, is **SVC-TRN-C1a**. The required \$2,000.00 to cover the trainer's airfare, hotel, meals, and other travel now has a NexTone Ordering Code of **SVC-TRN-C1b**.

A summary of the list prices and discounts for NexTone University products is below.

NexTone Ordering Code (short description)	NexTone Product Description	List Price (\$)	Available Discount
SVC-TRN-R1	Two-and-a-half days of training per seat. Most advanced NexTone training class utilizing highest levels of NexTone expertise. Currently, only includes NexTone Certified Architect course.	\$4,995.00	50%
SVC-TRN-R2	Four days of training per seat. Fundamental NexTone product and technology level of classes. Includes NexTone Certified Engineer 1 (NCE1) course.	\$1,995.00	50%
SVC-TRN-C3	Four days of training per seat. Secondary course covering more advanced topics on NexTone product and technology. Includes NexTone Certified Engineer 2 (NCE2) course.	\$2,495.00	50%
SVC-TRN-R2 (same as line two)	Two-for-one time-of-sale, NCE1 standard training (Min of 2 seats in 4 day class. No maximum number.). Must be purchased at time of the Sale and used within one year of the Sale.	\$1,995.00 per seat	50%
SVC-TRN-C1a	Customer Site Training – min 6 seats, max 12 seats or limited to customers training room, MUST INCLUDE SVC-TRN-C1b	\$1,495.00 per student	No other discounting available. Discount built in.
SVC-TRN-C1b	Trainer travel and expenses	\$2,000.00	No other discounting available. Discount built in.
SVC-TRN-WEB	Web-based training. Access to unlimited online courses.	\$149.00	100% discount (i.e. no charge)

Function Status: Management

NexTone Communications' Management has, in some ways, already provided the most important deliverable necessary for the University. They initially provided clear direction regarding the desire to achieve a goal for certified NexTone professionals. Recently, NexTone's Management has provided clear *re-direction*, focusing the University's efforts toward equipping NexTone's customers to operate their NexTone products.

Additional assistance will be required by NexTone's Management, however. From the Executive level, NexTone University will require currently budgeted headcount to be freed for internal hires or converted to additional budget for external vendors to meet the expanded needs for the University. These include the need for consistent and on-going curriculum development to meet the expanding demands for training on new NexTone products, new skills required for Partners, and revisions to existing curriculum due to new product releases. NexTone University recommends that the existing headcount for a trainer that is currently on hold be utilized for an individual with primary curriculum development skills, with secondary responsibilities for training and/or technical writing.

Secondarily, NexTone University proposes that the existing technical writer headcount that is currently on hold be freed up for immediate hiring. The technical writers provide legwork and research into NexTone products and revisions, documenting them which are directly used by training. When Information Development suffers, curriculum will feel the impact. NexTone University needs for Information Development to be adequately staffed.

Finally, NexTone University needs NexTone's management to negotiate with the University to ensure clear understanding of their support, then compliance with those negotiated requirements. For example, NexTone University has provided in previous sections of this Business Plan, suggestions to Sales regarding Pricing and Discounting. NexTone U. needs Sales to review the proposal, suggest and negotiate any changes, and then support the agreement in their organization.

A summary of proposed Management support is below.

Corporate Marketing

Responsible for messaging and collateral targeted to technical student populations
Responsible for L2 Web Page (www.nextone.com/university) on the NexTone Website
Responsible for reviewing within 48 hours NexTone University Marketing copy for compliance with Corporate Marketing standards
Responsible for obtaining NexTone University's approval with a 48 hours turnaround time on copy related to University topics
Responsible for support on Corporate Marketing controlled copy, tools and sites

Sales

Responsible for understanding and supporting NexTone University products, pricing and shared revenue targets
Responsible for communicating and negotiating customer needs for training early in the process
Responsible for directing customer's users to nextone.com/university to register for classes
Responsible for negotiating custom class requests with the University prior to agreement with customers

Suggestion for Sales – In order to encourage Sales to remember to include training with customer orders, NexTone University suggests that training be included with every Sales Order, even if the only entries are for "Two seats for users via online training," which is currently offered at no charge.

Sales, Engineering, Operations

Responsible for providing subject matter expertise for new product training, course and test development or review. Negotiated on a case-by-case basis.

A Note about Trainer Management

NexTone's change in business direction will have significant benefit to the quality of the training delivery – i.e. the trainer quality and oversight. Matt Thorn, Manager of the Trainers, has been engaged, almost exclusively as a trainer during the last nine month's push for a number. He has conducted the second highest amount of travel for NexTone University. This has come at the expense of his ability to manage his group. NexTone University expects Thorn to have a significant drop in training engagements and improvement in training and curriculum quality.

Function Status: Development

As previously was mentioned, there is an anticipated need for an increase in courses offered by NexTone University in the immediate future. Two classes announced with NexTone University remain undeveloped – the NexTone Certified Architect and the NexTone Certified Trainer – because they would not contribute to the target goal of generating the required number for the University. Additionally, the latest plans by NexTone for a partner program will result in multiple classes, perhaps as many as four. NexTone U. can also look to customer requests for specialized classes, focused on specific topics, that could easily generate an additional four or more courses. And this doesn't address the need to upgrade the current NCE1 and NCE2 materials to the 4.2 product release.

Training Development Needs

- NexTone Certified Architect
- NexTone Certified Trainer (may be dropped)
- NexTone Certified Specialist – VoIP Troubleshooting
- NexTone Certified Specialist – Partner Training: Products, Features, Benefits, and Competitive Information
- NexTone Certified Specialist – Partner Training: Installation
- NexTone Certified Specialist – Partner Training: Configuration and Installation
- NexTone Certified Specialist – Partner Training: NexTone Troubleshooting
- NexTone Certified Specialist – IMX
- NexTone Certified Specialist – RSM
- NexTone Certified Engineer 1 – upgrade to 4.2
- NexTone Certified Engineer 2 – upgrade to 4.2

NexTone University utilizes the ADDIE Model (Analyze, Design, Develop, Implement, Evaluate) when designing courses, each step having multiple tasks for successful completion. The expertise of a curriculum developer will yield better results targeted to the correct audiences. The ADDIE instructional design processes should be used, data management revision control should be implemented, target audiences and course objectives defined, and content checked for completeness, match, and fit to the course objectives. These best practices will ensure that student expectations are accurately set, content designed to meet them, and any later learning products – web-based training, self-paced learning (CD-ROM), practice tests, pre- and post-course assessment tests, certification tests, lab-based exercises, and simulations are teaching consistently to the process.

As mentioned above, it is the strong recommendation of this Business Plan is to hire at least one curriculum developers to fill this need.

Function Status: Registration and Tracking

NexTone University has adequately resourced the Registration and Tracking functions. Greater emphasis will be placed on this role as a key contributor to customer service and a data gathering function for business metrics.

Function Status: Training

Since the announcement of the University, NexTone University has expanded its trainers from three (including a manager performing training) to four (with the manager still performing training) and another headcount ready to be filled. The need for another trainer continues to exist, however, in order to free the Training Manager to oversee and manage his group. Additional changes to the training group may be necessitated if the U.K. demand drops. But this will require monitoring before any decisions can be made.

Ideally, the trainer composition would be a training manager who is tasked with management, not training; two trainers covering the Americas and APAC; and one-to-two trainers in the U.K. covering EMEA (again assuming demand requires it).

Function Status: Certification

With the redirection of NexTone University from prospecting and brand awareness to customer education, the need for certification becomes less important. In the past, the primary impetus for students to get certified appears to have come from prospects using the credential to get jobs. In fact, many technologists view certifications as beneath them and an artificial substitute for their actual accomplishments and skills.

NexTone University will continue to offer its certifications as a metric and a proof of knowledge and skill gains. However, it will not be the emphasis of NexTone University messaging in the calendar year 2007.

Function Status: Fulfillment

Currently NexTone University is handling the fulfillment function online or through mailed certificates. This need is not anticipated to increase and adequate resources are currently available.

Marketing

Marketing Analysis

The drive in the first two quarter of FY2006 required NexTone University to function virtually as a Line-of-Business, marketing for training and certification numbers to achieve the pre-defined volume goals. As a result of this necessary but unexpected independence, responsibility for the marketing function for NexTone University shifted from Corporate Marketing to NexTone University. This shift resulted from the necessity to achieve the 5,000 registered students first and focusing on Marketing NexTone products and technology along the way.

Corporate Marketing vs. Education Marketing	
Marketing NexTone Communications	Marketing NexTone University
Volumes are product and technology dependent	Volumes are marketing dependent
Marketing content is focused on technical ability	Marketing content is focused on credential that is earned
Focus is product functionality-specific	Focus is student benefit-specific
Directed to company-level needs	Directed to the company- and individual-level needs
Centers around technology-, competition-, and functionality	Centers around educational enhancement and employment-opportunities
Success defined by industry recognition and ultimately Sales profit	Success defined by volume of registration and individual certification as equivalence of brand awareness

However, with the change of the University's direction, NexTone University is refocusing its Marketing efforts to meet the requirements of the new business direction. The change in direction from an emphasis on training-volumes to training-as-product-support requires a change in Marketing direction as well.

Corporate Marketing vs. Education Marketing	
Marketing NexTone Communications	Marketing NexTone University
Volumes are marketing dependent	Volumes are again product and technology dependent
Marketing content is focused on credential that is earned	Marketing content is again focused on technical ability
Message is student benefit-specific	Message is again product functionality-specific
Target is to the company- and individual-level needs	Target is again to company-level needs
Message centers around educational enhancement and employment-opportunities	Message again centers around technology-, competition-, and functionality
Success defined by volume of registration and individual certification as equivalence of brand awareness	Success is again defined by industry recognition and ultimately Sales profit

Marketing Plan

Next Steps

NexTone University has redirected its Marketing vendor to stop the planned efforts toward volume generation, focusing instead on Marketing that informs prospective product users and their managers about NexTone's product training.

The new plan includes the following deliverables necessary for product support.

1. Sales Kit

It is necessary to inform and equip the NexTone Sales force on the change in direction for NexTone University. Additionally, just as the change in direction changes the Marketing message and methodology, the change in direction means that Sales needs to be armed with new messages and value propositions consistent with the direction.

2. New Product Introduction (NPI) Collateral

As was previously mentioned, NexTone University will be developing new courses (see "NexTone University: Training Flexibility"). With the introduction of each new course, information about the course will be needed to inform users and customer management about the details of that new course. This new product introduction will include the an update to the Sales Kit to ensure Sales has current information, a data sheet to leave behind with customers and interested users, a course catalog, and an update to the website course catalog. Each of these pieces represent the minimal necessary components for a successful introduction of a new class.

3. Outbound Marketing

Although NexTone University's direction and Marketing focus has changed, NexTone and NexTone's customers benefit by an informed, educated, and competent user-base. The outbound marketing effort is a quarterly email to inform these users so they know about the latest in training opportunities to increase their knowledge and ability to the benefit of NexTone customers.

4. Web Marketing

NexTone University can also accomplish the user communication by keeping its website up-to-date and current, and more importantly pertinent and relevant to NexTone users and their managers. The web marketing effort ensures one major update to the website per quarter with minor updates as required between major updates. The Outbound Marketing effort attempts to go out and get users to stay current with NexTone's products and technology. The Web Marketing effort seeks to entice them to stay current by drawing upon their interests to voluntarily watch the NexTone University website.

Again, these four marketing components are viewed as necessary components to NexTone University going forward.

Corporate Marketing

Although NexTone University has already begun to make the change to the new direction, discussion has suggested that the NexTone University marketing function may best be served by a return to Corporate Marketing responsibility.

NexTone University is open to this transition, but understands that certain conditions are necessary to ensure the continued success. These conditions include

- a minimum set of deliverables that includes the four components listed above
- assigned NexTone University resource with responsibility for NexTone University Marketing
- assurance that NexTone University content will be the content of NexTone University Marketing (i.e. Marketing pieces will be discussed with NexTone University when possible and approved by NexTone University as a requirement)
- budget is defined, communicated, and stated with the University so that NexTone University can ensure that funds exist for future NexTone University efforts.

Because Marketing efforts are in progress, it is recommended that Q107 be the target for implementing the change of marketing responsibility to Corporate Marketing.

Pricing Strategy

Pricing strategy is covered under the section entitled, “NexTone University.”

Project Plan

A project plan will follow within one week of the approval of the Business Plan that will include the four components listed above. Executive requirements for the Business Plan can be communicated for inclusion into the Project Plan.

Personnel and Resources

NexTone University projects a need for the following headcount.

Headcount is supported by numbers in the spreadsheet.

Curriculum developer role, although the spreadsheet projects show fluctuation in needs between one and two developers, headcount is listed as two with an anticipation of further work as future NexTone products are released and current products require additional work or upgrade.

Title	2006			2007											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Director	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Manager	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Trainers	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Prgm Mgr/Mktg	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Curr Dev - Contract	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Training Coor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total	10														

-1	Headcount plan underresourced by 1
-2	Headcount plan underresourced by 2
+1	Headcount plan overresourced by 1

Title	2006			2007											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

