

E-learning Strategy & Directions

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E-learning is the brash new kid on the training and development block. Read any magazine or attend any seminar or conference on Training and you will be increasingly bombarded with product announcements, seminars, conferences, case studies and vendors all trying to convince you that a) e-learning is a massive opportunity, and b) you should be doing it now. In this article, I want to talk a bit more generally about what is happening in the e-learning marketplace, and to talk about the directions the market is evolving. I also want to talk about some of the issues you and your organisation should be considering in constructing a strategy for e-learning.

It's always interesting to be asked to write something about Strategy and Directions for a subject, even more so if the subject is as volatile as e-Learning. Obviously we need to do some crystal ball gazing to identify key trends and future developments. But, we also need to do some careful analysis of current activity and reality – reading between the lines of what is really happening now. The e-Learning market is very new, very embryonic, and growing and evolving very rapidly.

Every day new products and new vendors appear and old vendors are repositioned to be "e-learning" – sometimes without them seeming to be any different from what they were before. Currently, the vendors drive the e-Learning market, so it is critical to look for the substance beneath the marketing story.

The E-learning Market

Go back two years and you will struggle to find any references or talk of "e-learning". This really is a very new market place although it encompasses some older pieces. In the UK, it is even newer. It is only really during the last 12 months that the term "e-learning" has become common parlance. The big shift started in the early part of 2000 as new companies started appearing and older companies started positioning themselves as e-learning providers.

Given the newness of the market place it is therefore not surprising that there is still a lot of confusion about what people are really talking about and what is really going on. The speed with which e-Learning has subsumed other technology/computer-based training forms and markets also means that the market is still very fragmented. Lots of people use similar terms to talk about very different products and solutions. This all adds to the potential confusion factor. A combination of rapid investment and new internet .com money has accelerated the market growth and enabled lots of vendor push. Many vendors are spending lots of marketing dollars (and it is mostly Dollars not Pounds or Euros).

Vendors can be crudely divided into technology vendors, content vendors and training vendors. However, this simplified picture hides a much more confused reality. Technology vendors have turned into content vendors or training vendors and vice versa. Each of these main areas is further fragmented into lots of specific market areas underneath. And all of this is evolving on a daily basis.

Technology

Technology vendors are of course a major factor in driving the emergent e-learning market place. In technology terms, there is no such thing as an e-Learning technology product, rather there are a number of major types of product, all of which are pretty distinct. Examples include Learning Portals, Learning Management Systems, electronic learning communities, competency systems, virtual classrooms, live e-learning tools, asynchronous learning environments, assessment tools, content development tools, content management and distribution, and so on. And each sub-segment has many products and vendors.

For example, a recent study on learning management systems evaluated 60 main products and vendors. As a US study this ignored many European products and also a lot of smaller products - the list could have easily been 400 products. Not bad for just one market segment.

It is important to recognise that there are many different types of e-learning technology and many vendors and products of each type. The rate of change is phenomenal. For example, I produced a white paper on e-learning last year and even in the edit cycle between draft and first print, at least 20% of the technology vendors changed. They had either a) changed their name, or b) announced they had been acquired or were acquiring someone, or c) had produced a next-generation version of their products under a new name. It is pretty challenging to keep up with all this stuff. See <http://www.elearnity.com/whitepaper>. From a corporate standpoint, it is critical to develop standards related to e-learning technology. Whilst historically it may have worked if you picked a specific product to support a specific learning need, but as e-learning is used more widely, you will need to start defining some standard platforms.

Within most large companies it is highly likely that you currently have multiple people in different areas of the business currently talking to multiple companies about training solutions including an e-learning component. If each of these companies uses their own "market leading e-learning solution" this means that there is a high risk of signing with multiple providers each of which wants to deliver e-learning to you through a different product. This could include accessing their courses through their learning portal or learning management system, their own content tools or using their live e-learning tools or discussion forums. This is absolutely not sustainable for a corporate-wide context. The corporation has to define the platforms that it will support, across the company and across providers. e-learning technology needs to be strategic.

Content

Content is proving to be a very attractive proposition for e-learning investment. As well as the traditional content providers such as classroom or computer-based training (CBT) providers, there are now lots of new entrants as specialist e-content providers. In addition the big Publishers have also been rapidly realising the potential of their massive content base to be re-purposed into e-Content.

The cost of producing e-content is however very high (at least to do it well). This means that many existing organisations may talk a good e-learning story but the reality is they are still in the process of transitioning existing content assets. It also means the resultant e-Content may only be "first-generation e-Learning", i.e. existing content accessed via the Web and amended to e-delivery. This tends to be a low value learning model.

The question of learning value is important here. Lots of people currently focusing on getting content on the Internet or onto corporate Intranets will at some point wonder whether anyone doing these courses is actually learning anything. The likely answer is not going to be that encouraging. Why? Because the focus is wrong. The focus is on cost and activity levels and not on quality and educational value. This is nearly always a failing of first generation anything and some content providers are starting to work this out already.

The trick from a corporate point of view is to determine the ones more likely to get it right faster. Look for companies that understand that learning is more than content. Content needs to be integrated into a broader learning process involving instructional support, collaboration, mentoring and so on. It is also needs to be integrated into existing training delivery allowing us to use the best of both worlds.

Traditionally the computer-based content vendors have had a model that says that interactive content can replace the classroom. In the e-world they are finding that this model doesn't work and are adding discussion forums and instructional support around their content programmes. The problem is this needs to be integrated into the learning process and therefore into the content. Bolting it on afterwards doesn't do the job. Classroom content vendors may find it equally challenging, as they have to restructure nice profitable classroom courses into less profitable smaller units to allow some of the content to be delivered in other forms.

When talking about content, standards are an important factor. For e-content these include AICC (Aviation Industry CBT Committee), IMS (Instructional Management Systems) and SCORM (Shareable Courseware Object Reference Model from the US Department of Defence). Currently, AICC is the main active standard and it defines how computer-based training content should be accessed and managed by external systems such as Learning Management Systems. Longer term, IMS and SCORM will take centre stage.

But these standards will only address problems related to content use and management. Companies also need to develop their own company standard approaches and platforms for learning programme design, technology selection and so on. These are much broader than industry standards such as AICC.

Training Services

Training providers have generally been slower to respond than the other segments. This is partly a factor of healthy (or sometimes unhealthy) scepticism around the value and importance of e-Learning. It is also a factor of the day-job getting in the way. They are already pretty busy running classroom-based training businesses and generally making quite nice money, thank you very much.

Transitioning to e-learning is expensive and resource intensive. It is easier to wait for a big customer to drag them into it, hopefully funding the way. The problem is the potential magnitude of the change to provide or integrate e-Learning into their existing portfolio of services. Look at the corporate training market, IT training market, or at Business Schools and what you'll see is fairly consistent:

- Most organisations are now talking e-learning in some form.
- A significant and rapidly increasing number are starting to do it - but often using someone else's portal, courses or content.
- Relatively few organisations have actually done it - including running their own programmes and content, and can show clear benefits and success criteria.

For most Training Providers, transitioning to an e-learning world is a big challenge. It involves a significant investment and takes those resources away from the "core business". e-Learning is treated as an add-on rather than core. It involves new services, new business models, new skills and new partners. It involves new risk.

Many training companies are therefore playing with e-learning but I don't believe they are actually dealing with the fundamental issues. And unless this happens they will struggle, marginalise their market position and potentially become a strategic casualty or acquisition target by someone who does get it.

As corporate customers increasingly look for e-delivery as well as traditional classroom delivery, becoming an e-learning provider is starting to represent a key challenge to the long-term survival of many traditional training and education providers. As the new e-Learning companies grow and achieve much higher market valuations, we will increasingly see them acquire traditional training providers who's own market valuation is more modest. This process has already started (e.g. FT Knowledge's acquisition of Forum Corporation) and is bound to accelerate significantly over the coming months.

Towards a Strategy for E-learning

So as a corporate training function, what and how should you be engaging with the e-learning market place? There certainly isn't a lack of opportunity, but what should your priorities be and what does it mean to talk about a "strategy" when the market is evolving so fast?

Firstly, I think there are definitely some fundamentals you need to deal with:

1. e-learning should be viewed as strategic and as an integrated component of the broader training and development strategy. This means executive sponsorship and committed investment both on specific projects and on developing a strategic approach, organisation and infrastructure.
2. Set direction rather than detailed strategy. A detailed strategy may look more convincing, but is often very fragile, easily made out of date or marginalised by changes in organisational strategy or strategic shifts in the market place through acquisitions. In a market that is so embryonic and changing so rapidly this is almost guaranteed.
3. E-learning technology needs to be considered in a strategic context. You can't afford to allow individual training or content vendors drive the discussion, otherwise you will end up with expensive blind alleys. Technology should be considered as part of strategic framework and you should start developing this now.
4. Given e-learning should be an integrated component of a training and development strategy, that means you need an integrated approach to managing it. Many companies are now starting to develop Learning Portals or looking at implementing Enterprise Learning Management Systems. These systems must support all types of learning and integrate e-learning delivery as well as classroom delivery and other forms.
5. E-learning is more than content on a website. You need a strategy that includes instructional support and collaboration, and you need vendors who can deliver more than content-only solutions. Focus on educational value as well as cost, and look for more than first generation transitioned content – otherwise you may be able to tick boxes about level of activity but not about improved knowledge or performance.
6. Finally, you need to change measures of success with e-Learning. We are seeing a significant shift away from courses as the unit of consumption, and towards programmes of learning, learning on demand, and learning communities. In this context, measuring success through completion becomes meaningless. E-learning will accelerate this trend as well as giving many more options for delivery and integrating learning into the workplace.

That should keep you busy for a while!