

## **Maturity brings wisdom: e-Learning finally starts to focus on *real* learning**

blueU recently published a survey of 55 of its customers in medium to large organisations. Over half are using e-learning now, with the remainder intending to do so in the next few years. A study by Epic earlier last year showed that less than 20% of organisations in the UK were using e-learning, but the numbers expect to rise to 57% within 2 years, and 76% plan to be using it within five. A survey by Skillsoft indicated 45% of organisations used e-learning regularly, with a total of nearly 85% intending to do so within 2 years. Even assuming that these organisations are targeting customers who already have an understanding of e-learning, at a conservative level the expectation is that half of the UK organisations will be using e-learning in the next two years.

The question is – what type of e-learning? In the past the majority of organisations started with catalogue-based standard courseware, often for IT subjects and usually for large volumes of students. Those companies who are planning to adopt e-learning over the next year or so, may take a similar route; it is an easy option, and one where the calculations of Return on Investment are simple. However, as the subject matter moves away from industry-standard IT topics towards the broader mix of learning including soft skills, business processes and professional development, then so does the trend away from off-the-shelf solutions. In the search for answers, the core principles of successful adult learning should not be overlooked. In particular, the learners need to believe there is a purpose for learning this subject, that the learning can be applied in their world, and that the topic is of immediate value to them. These personal values apply just as well to e-learning as to classroom learning, but seem to have been overlooked somewhat in the rush for e-learning over the last few years. If the learning is to be applicable, then it has to be relevant to the individual, and therefore is very unlikely to be completely standard. Standardisation and personalisation are at opposite ends of the spectrum. In reality, e-learning has been nearer the standard end so far. Is there evidence that it is moving along the scale?

An IRN report of June 2001 stated that the US e-learning market was still dominated by standard content (60% of total), but that there is a trend towards bespoke solutions. The blueU survey supports these results; although more are using catalogue based solutions (62%) compared to custom designed courseware (51%), the predictions are for an equal status (about 76%) in the near future. At a recent e-HR conference, Lynda Gratton of the London Business School emphasised a growing trend towards customisation and flexibility for the individual, away from the 'one size fits all' concept, particularly in the field of e-learning.

Of course, customisation can mean many things. Customising content, at either the organisational level or the individual level can be expensive, with typical projects costing upwards of £40,000. It makes sense to buy content which can be standard, and develop that which is unique; the blueU statistics support this blended approach. Designing solutions which consist of the appropriate small reusable units that can be mixed and matched as needed is a sensible strategy. There are other customisations which are not strictly content, and which are becoming more prominent. Customised learning paths based on prior knowledge and interest, is one such example. The focus of the marketing of the learning management vendors, such as Saba and KnowledgePlanet is becoming increasingly geared towards competencies and Human Resource Management.

More importantly, there is a realisation that no person can really learn successfully in isolation. Human support, from both subject matter experts and peers has always been critical to successful learning. Of course, human interaction also results in a natural customisation of learning, and where discussion takes place, in the application of concepts to the real world work situation. In the last year, more and more people have been asking about how to support learners online. Two years ago they only wanted to buy a packaged course.

Technology is changing too. As more sophisticated technical products become available, so the methods used for electronic learning become more varied. Three years ago, for example, synchronous learning in the UK was barely an option for the average corporate customer. Now there are a wide variety of tools, ranging from the basic to the advanced to suit most needs, pockets and bandwidths! Wider choice means a greater ability to focus on supporting multiple learning styles, and therefore meeting the needs of a broader audience. The use of different

technologies increases learner interest and motivation, and makes them feel as if the solution has been more tailored to their specific needs.

Initially there was a strong focus on the technology in the e-learning world, and the prominent players were the tool vendors. The main buyers were in the IT department. Now, thankfully, the technology is being seen more as a tool to support learning, possibly because a wider audience is involved in purchasing decisions. At a recent show in the UK, it was heartening to hear "I don't care if we use Product X or Product Y, I'm interested in seeing how the training improves their performance on the job". A year ago it would have been "Have you seen dazzling Feature Z?". Many customers are not concerned whether the solution is run in-house or located on an extranet server. BlueU's survey indicated that 63% plan to run their e-learning internally, while 55% will use external suppliers. Equally some will develop solutions to their learning needs in-house, and others will buy them; most will use a mixture depending on needs. All these trends indicate a shift away from purchasing a set solution towards finding the most appropriate answer.

There is also the hint of a trend towards customer requirements more strongly driving product features in the new releases, rather than internal vendor priorities. From a vendor viewpoint, there is always a valuable marketing opportunity in declaring that the most prominent new feature of a release is the top item requested by customers, but even so we are seeing more product announcements based on customer feedback. It is a good indicator that the customers now know what they want out of e-learning, and are less likely to be taken in by whizzy but ultimately useless features in terms of learning value.

Eighteen months ago, at the e-Learning Conference in London, most people were "just starting to think about e-learning"; many had no concept of what it involved. Following the 2001 show season, discussions with vendors indicate that there is a much more enlightened audience out there, who are after specific solutions to meet their corporate needs rather than conducting generic research. Initially many people wanted to replace all their classroom learning with e-learning; now discussions revolve around blended learning solutions. The 'all or nothing' concept has progressed towards a more balanced view.

The move from self-interest to co-operation, especially with competitors is a definite sign of a maturing market. The formation last year of ELVA, the E-Learning Vendors Association, driven by a need for better quality e-learning shows and publications, is a definite indicator of change.

As the e-learning vendor market consolidates, so shopping for e-learning solutions becomes easier. Many of the larger vendors are acquiring 'missing pieces of the puzzle' in order to be able to offer a wider solution including learning management, content, development tools, delivery tools and services. Every week in the press there are more announcements of mergers or partnerships. The partnership between FT Knowledge and AdVal Group plc. to form KeyKnowledge, the integration of QuestionMark and Macromedia products with THINQ's Training Server LMS, DigitalThink's acquisition of LearningByte and Smartforce's acquisition of SkillScape and Centra are only a few recent examples. Even if there are no formal legal partnerships, the vast majority of e-learning companies will work in partnership with others on specific solutions for specific customers. In the UK at least, the small size of most of these companies combined with the mandated requirements from the customer for an integrated solution, ensure that it has to work that way. The maturation of the buyer is very evident; less and less of them believe the answer is to buy a set of off-the-shelf training courses to run from a hand-crafted 'learning portal' Web page on their intranet servers. They are starting to look for more holistic technical solutions, combined with competency analysis, tracking and management reporting, learner support and customisation of content.

Did e-learning start off by moving down a blind alley in the 1990's? It does seem odd that principles of learning were seemingly thrown out the door in the rush to put multimedia content on to CDs or intranet servers. In hindsight there is some logic to the direction, as tangible products that could be examined and purchased at a fixed price were created; for a new market that is an obvious way of getting started. It was, and to a certain extent still is, difficult to sell a good 'learning experience', without demonstrating an enticing product or new technology. However, as more people buy, and experience the results, then e-learning appears to be moving towards a more sensible route based on common sense and objectives of delivering real value.

# ARTICLE

Introductory Stage	Growth Stage	Maturity Stage
1996-1998	1999-2002	2003+
Vendor-driven	Increasing customer influence	Both customer and vendor set pace
Technology-centric	Learning becoming more important	Learning-centric, supported by technology
Large volumes of small vendors	Vendor consolidation	Few large vendors plus some specialists
No product interoperability standards	Development of interfaces & standards	Widespread standards adherence
Self-paced "CBT"	Experimentation with mixed modes	Full blended model with more collaborative solutions
Limited subjects	Wider subject range	"Any subject possible"
Limited usage	20-50% UK population have experience	Commonplace
Standardised content	"Personalisation around the edges"	Bespoke content with reusable learning nuggets
E-learning is a special subject	Gradual return to discussing "learning"	E-learning is just part of the mix
E-learning is for formal courses	Products & content being used outside courses	E-learning supports KM and continuous development

T I M E

In everything from product development to organisational change there are evolutionary stages, and a standard life cycle curve can be drawn. E-learning should be no different. The diagram on the previous page summarises some of the main changes that have occurred in the e-learning market over the last few years, along with some indicators of maturity.

The initial standardised technology-based solution phase was the 'forming' or 'prototype' phase. Certainly the market since 2000 has shown clear signs of 'storming' as organisations appear and disappear. But conformance to design standards is becoming more commonplace, feedback from early adopters is shaping direction for new entrants, and both products and vendors are being consolidated. Customers are driving the direction more than in the past. There is a move away from pure cost-saving as a justification and standard learning as the answer, towards more customised solutions with a higher 'learning value' to the individual. E-learning is now part of the total learning solution, rather than the only answer. New technologies are accessible to a wider audience. All these events point towards the beginning of a more mature market.

So what does this mean for those people thinking about e-learning? Those who were in at the beginning may have gone through a number of iterations to find what works for them, and may have gained some expensive experience along the way. But they do have experience and that is valuable, both internally and to those who are now considering e-learning. For those who have been waiting until the market has matured, then now is the time to join in. There is probably a fairly short time period between entering a maturing market and being left behind.

It seems to have taken a very long time, but the indications are that e-learning is moving out of its teenage years and is becoming an adult. About time too!

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