

The Increasingly Mercurial Nature of Bespoke E-learning

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The UK e-learning market has gone through lots of change over the past few. Switching alternatively between periods of vendor-fuelled market hype, and customer-dampened commercial reality, the market has lurched forward, growing and coalescing slowly towards stability. Historic flavours of the month – must buy an LMS, must sign a generic content contract - seem to have been replaced with a broader, more considered, and inherently multi-faceted view of how to construct a recipe for corporate e-learning success.

Bespoke e-learning (or custom e-learning if you are west of the Atlantic Ocean), historically seems to have been the most stable of all the sectors of the e-learning market. Whilst the public fortunes of e-learning technology and generic content vendors have waxed and waned with the cycles of the moon, the bespoke e-learning vendors have bumbled along, picking up contracts for customised anti-money laundering materials, or updating corporate induction programmes for the third time following yet another merger. Whilst bespoke e-learning companies have come and gone, most of them have stayed, and some are pushing the competitive boundaries with new tools and technologies, offshore development, and better standards.

Or so I thought anyway until too many of corporate research discussions indicated otherwise! Following some deeper research with a group of leading corporate e-learning consumers, and some quite fundamental cracks have started to appear in this relatively cosy story. The historically solid foundations of bespoke e-learning are being seriously questioned, and corporate answers are becoming more diverse, almost mercurial. Let me give you some examples.

For the past five years, most e-learning savvy corporates have decided that developing e-learning content is not one of their core competencies. Hence they outsourced production to specialist companies. Now whilst the former is still true, the latter is now less so, or at least it is changing. Whilst the scale of use of e-learning is increasing in most corporates, centralised resources for e-learning development are generally reducing, and the responsibilities for e-learning are becoming more diversified and embedded in the mainstream L&D function.

As e-learning has become increasingly “business as usual”, corporates have started seeking alternative models to the historic £15-20K per content hour vendor relationships. Basically they can’t afford it in the scale they now need it, and they don’t have the need or people to manage large projects anyway. This is putting significant downward pressure on the median size of bespoke e-learning projects, where rapid turnaround and below-radar budget needs are more important to the business than creativity or perfect quality. There are exceptions, but they are a small number relative to the number of small, need-it-now type projects that corporates are running with on a day to day basis.

As a consequence, large central e-learning content budgets and projects are increasingly a thing of the past; fragmented, constant drip-feed of small needs are the pattern of the future. This has prompted the rapid growth in interest and adoption of “rapid authoring” tools within corporates, and increasing demands to slash the cost of external content development, often coupled with self-maintenance of developed materials.

Experienced corporates are also cherry-picking what they want from vendors, who historically expected to get the whole lot. Sometimes they want templates developed by one vendor, and story-boarding and instructional design from another. Subject matter experts are used to “put in the words”, contractors build flash animations and graphical assets. In some cases, they are using off-shore resources for initial content dumping and structuring, which are then given to another vendor to pretty up and make instructionally sound. In all of the above cases, the buying process for e-learning is becoming increasingly fragmented, as is the role of the suppliers that service it. And

that represents a significant strategic challenge to suppliers, as larger projects become rarer, and their customers fragment their buying process.

The bespoke vendors may recognise the above story, but will argue that it is riddled with contradictions. And they would be right! How can e-learning be more important to corporates, and at the same time as they reducing specialist resources that are capable of managing it? How can you reduce specialist resources and then fragment the buying the process, increasing your reliance on skilled resources to manage projects and put the pieces together? And how can you put more reliance on subject matter experts to develop and maintain content when they don't have the time to provide or review it in the first place?

All of these are inherent contradictions, but they are also what is happening. Denial doesn't mean they won't happen, it will just mean you – whether corporate or vendor – won't be able to respond to the challenges they create. And boy, will they create challenges for everyone!

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