

"E-learning Suites or not"

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When the e-learning market initially formed, it became an umbrella term covering a multitude of market segments well established ones like computer-based training content providers, and training management systems, and new segments such as web-based training and virtual classrooms. All of these became aspects of the "e-learning" market.

From a technology standpoint this resulted in hundreds of mainly niche vendors selling very different kinds of products under the e-learning banner. Over the last couple of years, the market has changed significantly. It has realigned and rationalised with growing segment and therefore vendor consolidation. Two years ago, Gartner Group, a well-known IT industry analyst, shifted to talking about "E-learning Suites" as integrated e-learning product suites with components from all of the principal e-learning technology segments. This typically includes a learning management system (LMS), a learning content management system (LCMS), content authoring tools, and collaboration tools including virtual classroom functionality.

This shift to talking about integrated e-learning suites, rather than individual niche market segments, is a trend in most technology markets as they move towards maturity. Leaders in specific segments acquire or build technology to extend their reach, and to marginalize competition. It happened with computer operating systems (IBM, Microsoft), it happened with HR systems (Oracle, SAP, PeopleSoft), and of course it's happening to e-learning. Leading vendors following this trend include Saba, Docent, Click2Learn, KnowledgePlanet and WBT Systems. Centra tried to move the same way with their acquisition of MindLever (an LCMS company), but has ended up staying a niche vendor focusing on e-conferencing, meetings and virtual classroom.

I think the concept of suites makes sense for most organisations. Given one of biggest problems with technology is integrating it with other technology components, having a pre-integrated solution covering all the primary pieces seems to be a good idea. Also, given the state of uncertainty in many of the e-learning suppliers at the moment, the trend to total solution suites from leading vendors would also seem to accelerate market consolidation and therefore stability.

But I also see some problems as well. Firstly, the line drawn around what is considered "e-learning" as opposed to "learning" or "HR" is somewhat arbitrary. In particular, e-learning suites currently includes LMS – or the functionality to manage the learning process and learners. Whether LMS lives as part of the e-learning suite or as part of the HR suite is highly debatable. Certainly Oracle, SAP and PeopleSoft are all making a serious play for LMS integrated into their HR solutions. And given the financial investment made by corporates in those systems and vendors, it is likely they will show significant success longer term as well.

The second big issue is the e-learning equivalent of the old "best of breed" versus "total solution" debate. Jack-of-all-trades and master of none? In reality, all of the e-learning suite (and HR suite) providers have historic strengths in particular components of the suite rather than across the board. For example, Saba and Docent built around their LMS, WBT Systems around their LCMS.

For an organisation purchasing an e-learning solution, they will probably have stronger needs in some areas rather than others based on their initial project drivers. Do you purchase separate best of breed components and assemble your own suite based on what you feel the strongest individual products are, or buy one that solves all of them and make compromises where the fit isn't good. Just because a suite offers a component, doesn't mean it is very competitive, or will serve your needs very well. This is exactly the argument used by the emerging suite vendors when selling their (originally) specialist product in the past. A good example if the historic trend to buy a specialist LMS as the training system in their HR suite didn't meet their new needs with the growth of e-learning courses. You need to look at the

weaknesses as well as the strengths of the suites, and these need to be compared to your broader needs, not just the needs of one project. After all, the point of buying a suite is to provide a general platform to support all your needs.

At the end of the day, e-learning suites will be viewed as a simpler approach for many companies, and as too limiting by some. This is just a microcosm of the broader suite versus specialist debate, and organisations have their own preferences of how to approach the debate. Buying separate components probably ensures that individually they better your needs, but it also magnifies your integration costs. It also increases the risk of vendor failure (there are more of them), but reduces your dependency on any one big failure. Given the state of the e-learning vendors at the moment, that may not be a bad thing.

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