

e-Learning powers the shift to a knowledge-based economy

The global market estimate for education and training is \$2 trillion and growing. Any technology that accelerates learning, makes it more accessible, enjoyable and relevant stands to have a dramatic economic effect. e-Learning, in all its forms, is already taking hold in both private and public sectors, and challenging accepted practices world-wide.

- Calls for reform
- There are still issues to resolve

IDC has estimated a \$28.4 billion market worldwide for corporate e-learning by 2004. The largest market at present is the US, followed by Western Europe (the fastest growing), then Asia/Pacific. This is fuelled by the need to reduce costs, time spent travelling, and to close skill gaps by shortening 'time to competence'. According to PricewaterhouseCoopers, 70% of the world's 1,000 top-tier companies cite lack of trained employees as their number one barrier to sustaining growth.

The finance and technology sectors lead the way in terms of e-learning adoption. The Royal Bank of Scotland, a rapidly growing financial services company in the UK, reaches 80,000 staff with high quality e-learning and virtual classroom services, dramatically reducing ongoing training costs, and improving staff and customer satisfaction. In business terms, e-learning has proven to be a key tool in yielding efficiencies from integrating large acquisitions, such as their recent takeover of National Westminster Bank. In the technology sector, Cisco have led the way putting e-learning at the heart of their organisation, supporting their aggressive acquisition strategy, and using it also to educate customers and suppliers alike.

Calls for reform

In education there are increasing calls for reform. In the US, it is now 50% more expensive to attend college than 15 years ago. Traditional approaches cannot cope with the demand for education, so technology that can remove the dependence on physical campuses is the only way improvements can be made to the cost, accessibility and flexibility of provision. By 2003, over 50% of all higher education institutions globally will be offering e-learning programmes to students (Gartner). Another trend evident in the developed world is to encourage individuals to take responsibility for their own life-long learning. There are cultural barriers to overcome but progress is being made through government

driven initiatives such as Portugal's learning portal, and the wide adoption of PCs in the home.

Government itself stands to benefit enormously from adopting e-learning. There is significant pressure to modernise government, to remove layers of inefficiency and bureaucracy. e-Learning can provide a consistency and quality of training that public workers have never experienced. In the UK, large government departments are actively deploying e-learning to communicate regulatory policy and procedure changes, support leadership development, improve performance and customer service. In one particularly innovative initiative, local government in the UK are using peer-to-peer technology (as popularised by the infamous Napster music internet site) to actively promote the sharing of e-learning content. Local authorities are typically offering very similar services and policies on tight budgets, hence a distributed learning support network that allows the whole community to avoid duplication of effort will save money and improve efficiency without demanding complex (and expensive) central systems.

Some of the largest installations of e-learning are within the military sector. The US Army alone have invested over \$140 million developing a learning portal to support their highly dispersed personnel. This expenditure is expected to grow dramatically.

There are still issues to resolve

Much that goes under the banner of 'e-learning' is still little more than poorly written books online, or is too generic in focus to feel relevant to its target audience. There is a shortage of professionals who truly understand how to create instructionally sound, interactive content that takes full advantage of the online medium. In addition, the variable performance of IT networks and the subsequent available bandwidth restricts the use of video, audio and animation that can bring many learning experiences to life. Standards have yet to coalesce that will allow e-learning content from a variety of sources to work together and to be easily administered through Learning Management Systems – the full effects are still two to five years away. And in the public sector in particular there are real dangers that economic regions and institutions fail to co-operate and end up creating duplicate curricula and learning services. For the non-English speaking parts of the world, the need to localise content into respective languages and account for cultural differences adds significantly to the costs of production.

All these obstacles can and will be overcome. The sheer demand from all sectors will ensure that the influence of e-learning can only increase. Indeed, in the next ten years we will look back to see that the most radical effect of the internet on our lives was not e-commerce, as epitomised by the dotcom boom of the late 1990s, but the profound re-structuring of our education systems and learning experiences at work. To illustrate this, a recent report from China showed that

the major driver of internet usage was for access to information and learning, and not to buy consumer goods. With over a fifth of the world's population, e-learning will be a major catalyst to its economic growth.

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