

CONTENT, DOCUMENT and
KNOWLEDGE
Management
KMWorld

November 15-17, 2005
San Jose McEnery Convention Center
San Jose, CA

KM & intranets
World 2005 conference & exposition

A broader view of learning

By Judith Lamont - Posted Nov 1, 2005

The big news in e-learning right now is acquisition. In October, SumTotal (www.sumtotalsystems.com) completed the purchase of Pathlore Software, a company specializing in learning and business performance management. Revenues for SumTotal during the coming year are expected to be \$100 million. With a large customer base in healthcare and government, Pathlore will expand SumTotal's presence in several important markets.

Also in October, Saba (www.saba.com) announced its intention to purchase Centra (www.centra.com), which provides software for online learning, including a collaborative environment. Revenues for that new organization are expected to be \$100 million a year as well. Saba's products for human capital management, which include solutions for managing learning performance and talent, are designed to align employees' work activities more closely with corporate objectives.

Along with industry consolidation, another notable event was the launching by Vignette (www.vignette.com) of the Vignette Enterprise Learning solution. Known for its content management, portal and collaboration solutions, Vignette has introduced a product that manages the learning life cycle from content development through assessment performance. The philosophy behind Vignette's offering is that learning should not be confined to a separate environment, but should be delivered in the context of the employee's work.

All three companies reflect a trend toward a broader and better integrated view of learning. "Both formal and informal learning are supported by today's applications," says Claire Schooley, senior industry analyst at Forrester Research (www.forrester.com). "You may need a structured course, a five-minute module or a referral to an expert."

The pace of business today mandates fast learning—a strength of e-learning, Schooley adds, which can be delivered to thousands of employees simultaneously. E-learning is integrating collaboration, enterprise content management and other technologies typically associated with knowledge management.

Enterprise learning is also moving into a more strategic role. "Many CEOs now recognize that the learning management system is a lever to change the direction of an organization," says Kevin Oakes, president of SumTotal. For example, when Citigroup (citigroup.com) rolled out an ethics program, it was delivered through its learning management system (LMS).

When managed by the LMS, user responses can be tracked, and comprehension documented. "In some organizations, the LMS is second only to e-mail in the number of users," Oakes adds. That broad usage is increasingly positioning learning and its supporting technology as mission-critical.

Saba has worked steadily over the past five years to develop learning and performance management solutions that explicitly link employee assessment and development with organizational goals. The Centra addition is designed to aid in knowledge capture as well as in its distribution.

"A key component of human capital management is the ability to capture, repurpose and deliver knowledge to the enterprise population, so people can become more productive," says Bobby Yazdani, CEO of Saba. "Through the collaboration

component, we can capture knowledge from subject matter experts, and with our multilevel search function, we can help users find anything from a course to a small nugget of vital information."

Vignette's move into e-learning was sparked in part by a customer who wanted to use the same infrastructure for training that it was already using for its portal and collaboration.

"We believe that users should not have to go to a separate portal to access training, but that training should seamlessly blend with their work," says Wayne McCulloch, VP and general manager of enterprise learning at Vignette. If a task involves filling out a form, for example, guidance for doing that form should be at hand, not only provided in a course. Once the form is completed correctly, an LMS can document that the user has done so, and add it to the list of competencies achieved.

E-learning is ideal for widespread distribution of required learning content on topics such as compliance, which is of increasing concern to organizations. Meridian KSI (www.meridianksi.com) recently deployed a nationwide learning management platform for America's Health Insurance Plan (AHIP, www.ahip.org), which represents 1,300 member companies in 50 states. The Meridian Knowledge Centre will be used for continuing education, certification and competency modeling. Because the member companies pay for the courses, the application will bring in revenue for AHIP.

"Our Knowledge Centre also includes a collaboration environment for knowledge creation," says Paul Somerville, CEO of Meridian KSI. "We can pull learning objects into a virtual collaboration space, structure them and migrate the content back to the knowledge repository." The user can then discover the content through the search engine, or it can be delivered proactively.

With the economy more robust than it was a few years ago, companies are moving ahead with IT investments, including e-learning. "E-learning requires an initial investment," says Stephanie Fagnani, a consultant at Simba Information (www.simbanet.com), a business intelligence firm, "but the long-term savings make it cost-effective."

Gartner (www.gartner.com) predicts that the worldwide market of \$330 million for learning management and learning content management systems will grow 15 percent per year from 2004 to 2009. "We expect healthy growth not only among the current leaders," says Tom Eid, VP at Gartner, "but also from some of the ERP (enterprise resource planning) vendors and large companies such as Oracle (oracle.com) and IBM (www.ibm.com) that already have a presence in the market."

Judith Lamont is a research analyst with Zentek Corp., e-mail jlamont@sprintmail.com.