Digital Learning Realities 2017

Part 3 - Impact and Satisfaction

Independent research into digital learning in Europe is hard to come by. The large independent international analyst companies have generally left the learning space well alone and what research there is, usually comes from suppliers and it typically highlights a cause that is close to their own market positioning. Or it's generated out of North America and is heavily influenced by the views of the US market.

It's against this background that Fosway Group, in association with Learning Technologies and the Learning Skills Group, created the Digital Learning Realities research.

Our goal is to help learning professionals to make more informed decisions about digital learning by providing the facts that help you understand how L&D is organised, what solutions people are using in practice, what makes a difference and where organisations are focusing on innovating in the future. But it's not just about the solution trends. We believe it's important to cast a light onto practical experiences. And most importantly, it's also about the realities of learning operations and how they are changing in investment and a more digitally-led approach.

July 2017

Introduction

Now in its second year, the Digital Learning Realities research continues to grow with over 1100 learning and development professionals from all over the world taking part and sharing their experiences. The aim is to cut through the hype and uncover what's really happening in L&D today. And the wealth of data collected is telling some interesting stories.

The key headlines can be found in the infographic below and downloaded here.
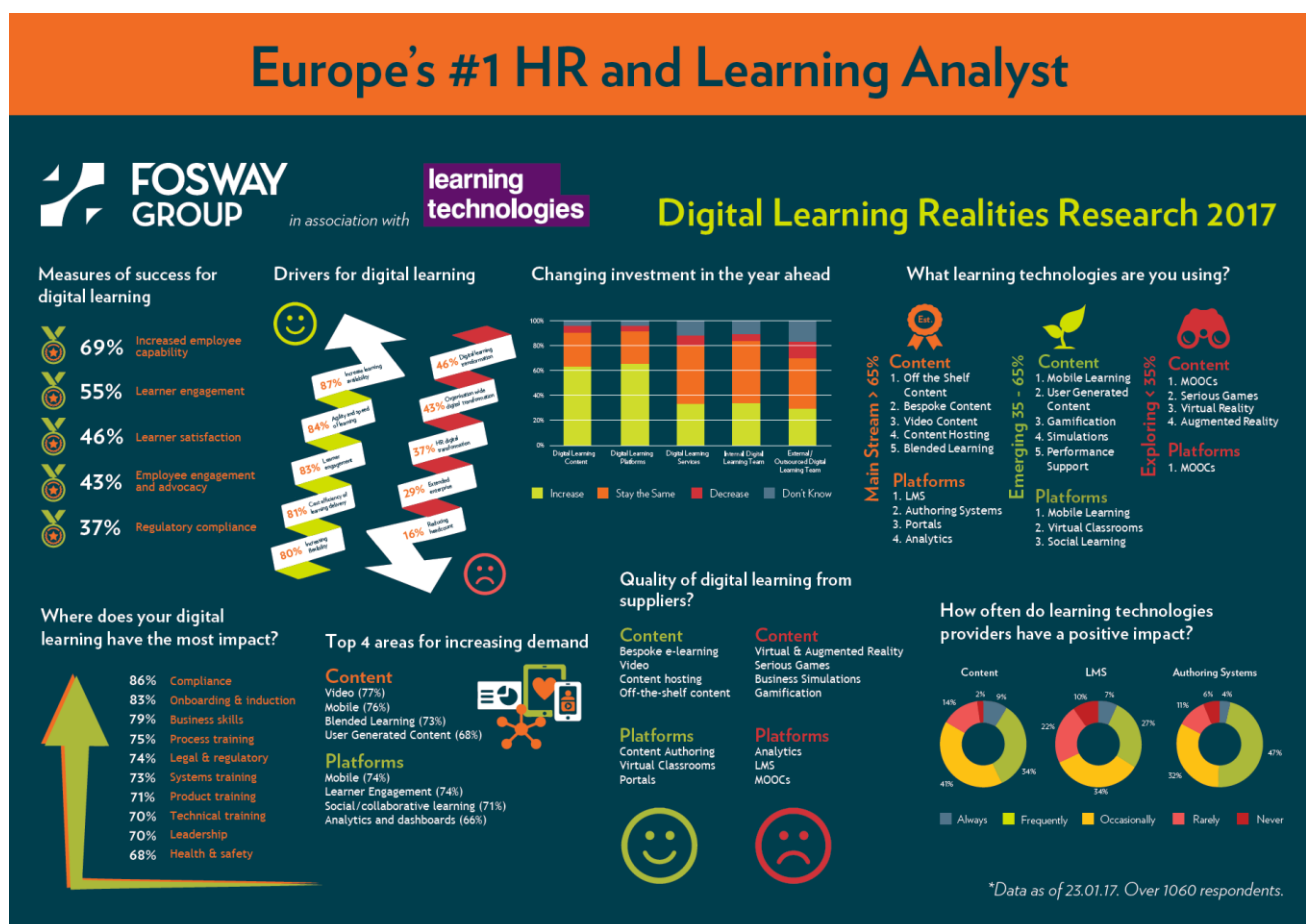
This year, there are three reports in the Digital Learning Realities series which enables us to deep dive into the results and explore the implications for L&D both now and over the coming 12 months. This third and final report focuses on the under reported areas of the impact and customer satisfaction organisations have with their digital learning solutions and suppliers. And there are many opportunities for improvement. For links to the earlier reports in this series, check the recommended reading section at the end.
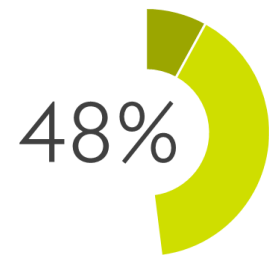
Customers' experience of digital learning over the last year

Compared to the research results from 2016, this year's data seems to show that suppliers of digital learning are moving in the right direction. A net 8% swing in the direction of 'improved' is a good sign for the industry overall.

But, before anyone lapses into complacency, there is still room for significant improvement. Overall, 52% had seen their satisfaction with digital learning either stagnate or worsen. This continues to provide a major opportunity for new and more disruptive elements of the digital learning market place to lure customers away from under-performing suppliers.

For customers, the challenge remains how to create a competitive ecosystem of suppliers around their digital learning projects that stimulates suppliers to provide better levels of service and solution. And as the Learning Technologies Awards demonstrate, some of the winning options aren't just coming from what might have been called conventional digital learning companies. There does appear to be some convergence on learning from suppliers with a communications and change management background, along with a trend from some buyers to actively look for unconventional suppliers to provide their digital learning solutions.
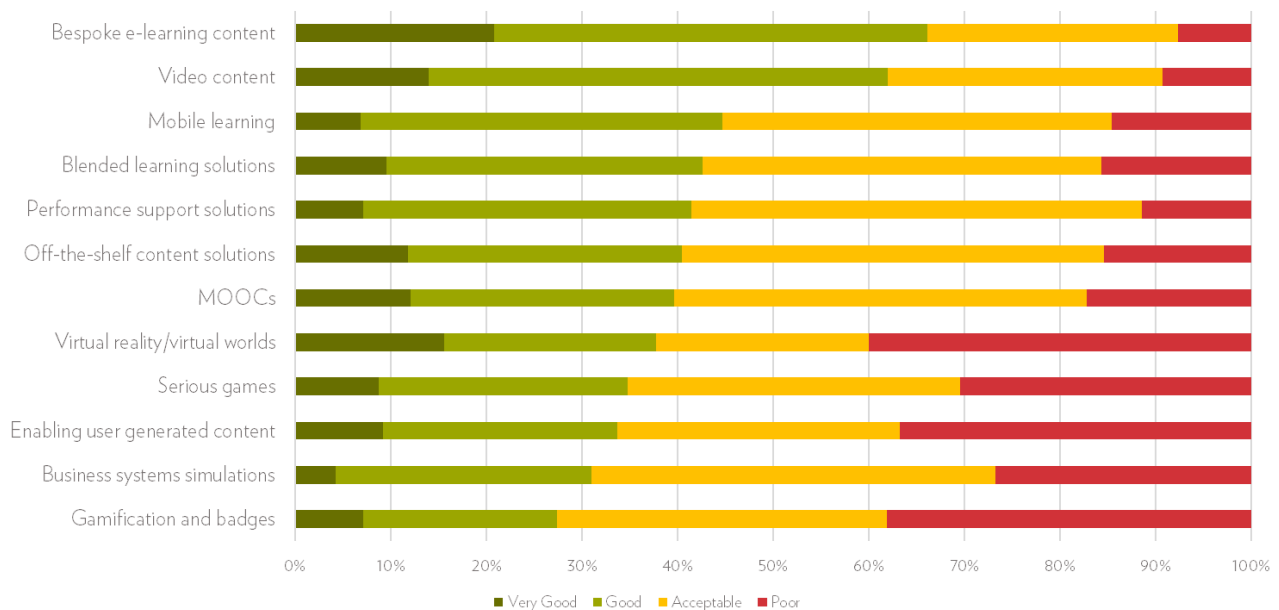
48%

reported their overall customer experience of digital learning had improved

Customer perceptions of quality vary considerably across digital learning content and platforms

The risks around selecting the right suppliers appear to be greatest when it comes to learning content. In areas such as gamification, business systems simulations, user generated content, serious games, MOOCs, off-the-shelf performance support and virtual reality - the odds of a quality outcome appear to be stacked against buyers. On balance for all these areas, customers are 60% likely to merely get an acceptable, or poor quality solution.

How good is the digital learning content you get from your suppliers?

Bespoke e-learning content	
Video content	
Mobile learning	
Blended learning solutions	
Performance support solutions	
Off-the-shelf content solutions	
MOOCs	
Virtual reality/virtual worlds	
Serious games	
Enabling user generated content	
Business systems simulations	
Gamification and badges	

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

■ Very Good ■ Good ■ Acceptable ■ Poor

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Blended learning and mobile learning solutions are not much better. There is still only a 50% chance of getting a good quality solution. It's only in video content and bespoke content that the balance is in the buyers favour. Yes, these are perhaps the more established parts of the market, but the strong underlying message is Caveat Emptor: Buyer Beware.
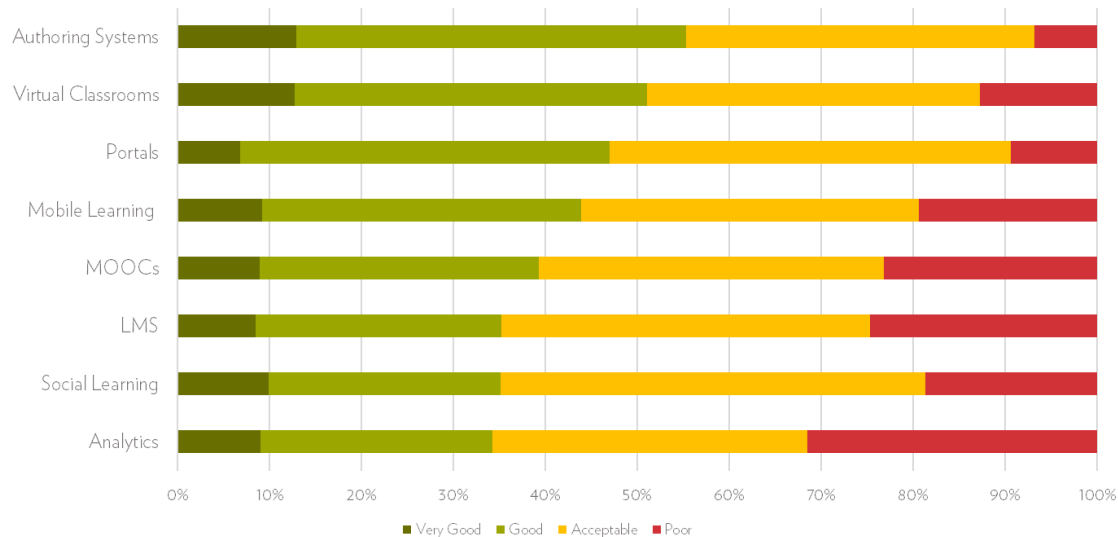
Choosing the right suppliers of learning platforms is also challenging. What jumps out from the data is the low rating around social learning and analytics. These are areas of digital learning where there is much hope and promise, but apparently considerable risk. Only a third of buyers currently get a good solution. LMS solutions fair marginally better, but not by much.

Only 10-15% of digital learning platforms are rated 'very good'

The opportunity for all buyers is to harness the 'very good' quality solutions – which typically are reported by a mere 10-15%. But understanding what these are, who supplies them, assessing their capability, their functionality and customer experience – takes up precious time for buyers.

How good is the quality of Learning Platforms provided by your suppliers?

Having gathered over 20,000 data points about this market in Fosway's profiling of vendor solutions, no-one is better placed to say that identifying the best learning technology solutions is not easy. Especially when buyers start to filter other people's experience into their unique context.

One of the things L&D buyers can do more of to mitigate risk is to pilot and be agile. Iteration and evolution are possibly the key to ensuring quality. This allows time to refine solutions to fit audience needs - and the opportunity to end supplier relationships early if they don't measure up to expectations.

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A positive impact from digital learning is far from guaranteed

Despite the positive trend in satisfaction with digital learning overall, what should concern us is the irregularity with which learning content is perceived to have a positive impact.
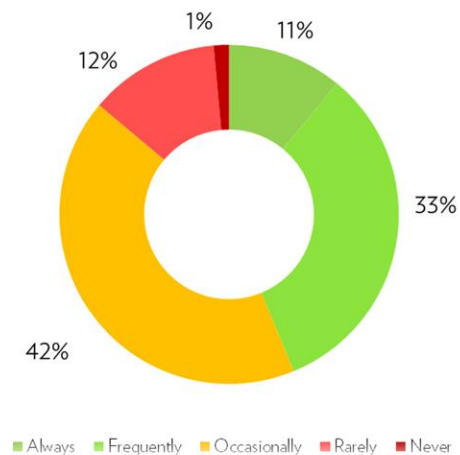
Less than half of respondents always or frequently get a positive impact from their suppliers learning content. And those who always get a positive impact is less than 10%.

With LMS solutions the situation is even worse. Less than 33% more than frequently get a positive impact from their solution. 34% rarely or never achieve a positive impact.
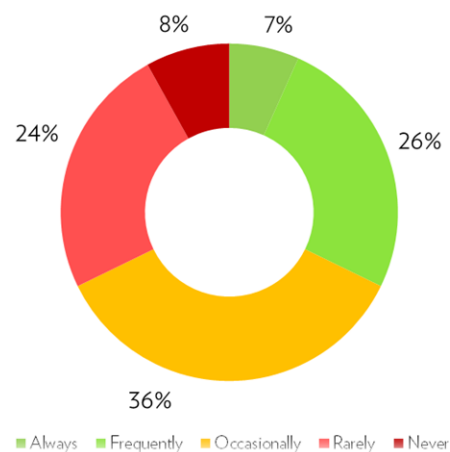
The stark truth is that without choosing wisely, digital learning is between 50-70% likely to have a mediocre impact in your organisation. The chances of success are slimmer than a toss of a coin.

How often do your Learning Content providers have a positive impact?

1% | 11%
12%
33%
42%

■ Always ■ Frequently ▫ Occasionally ■ Rarely ■ Never

How often do your LMS providers have a positive impact?

8% | 7%
24%
26%
36%

■ Always ■ Frequently ▫ Occasionally ■ Rarely ■ Never

But buyers bear as much culpability in generating positive outcomes as suppliers in driving impact, with the lack of business alignment and focus on adding value is possibly at the root of this failure to deliver impact. It may not be a co-incidence that learning professionals frequently fail to measure success of learning initiatives…because if you cannot adequately measure success then you are unlikely to be able to recognise or quantify the business impact you are having.

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But that aside, there is clearly something hit and miss, about the ability to generate a positive outcome with digital learning, that shouldn't be. To help increase the impact gained from suppliers, consider the following buyer's action plan. Often, just by starting to articulate your unique view on each of these points can move the agenda forward.

1. Set clear goals for how your learning solutions will impact key audiences both in terms of employee advocacy and learning results.

2. Create strong ties to HR and your organisation's talent management processes.

3. Ensure you outline a proactive strategy and the tactics that show how your learning infrastructure and learning ecosystem enable onboarding, talent development, performance management, career planning, enablement of talent succession.

4. Prioritise your learning activities on the predictable drivers for training in your organisation including new systems, new starters, new products, new processes, organisation change and audiences with tangible performance goals.

5. Organise an independent review of your learning approach and solutions to get a fresh perspective on where you can make the most dramatic improvements.

Less than 44% always or frequently get a positive impact from digital learning content
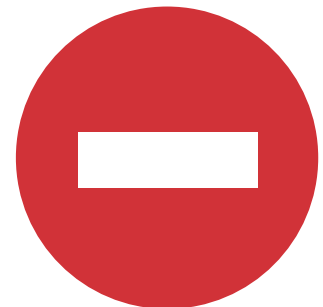
68% only occasionally, rarely or never get a positive impact from their LMS

Digital learning consistently fails to exceed learner expectations

Unfortunately, learning content also consistently fails to exceed learner expectations with any regularity. In a world where learning is competing for attention and screen time, that only 28% always or frequently exceed expectations is worrying – especially if we think about the long-term effect of L&D trading in mediocrity.
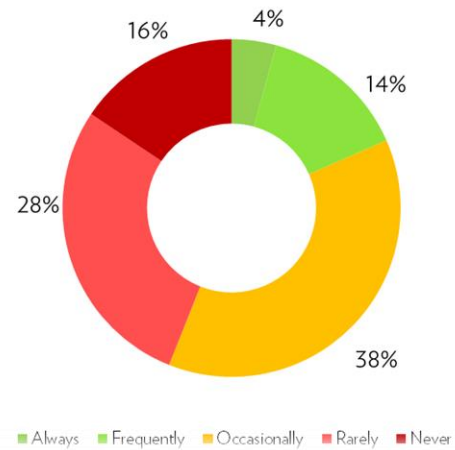
It doesn't end well. There is a massive opportunity to improve.

But, that may require additional investment and effort – to design learning experiences and solutions that learner *love* to use. And for all its failings, this is not reducing organisations' intent around their LMS; with **no one** reporting that are going to stop using their LMS.

How often do your LMS providers exceed learner expectations?

- 4%
- 14%
- 38%
- 28%
- 16%

■ Always ■ Frequently ■ Occasionally ■ Rarely ■ Never

How often do your Learning Content providers exceed learner expectations?

- 1%
- 8%
- 20%
- 50%
- 21%

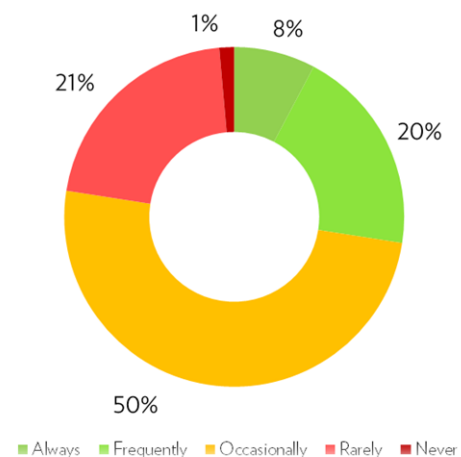■ Always ■ Frequently ■ Occasionally ■ Rarely ■ Never

There are a number of things buyers can do to remedy any short fall in learner experience and get things back in balance. In this instance, your buyer's action plan might include:

1. Treat learners more like consumers and customers. Profile audiences to understand their drivers, constraints and their operating context to understand what learning adds the most value to them.

2. Involve learners in the solution design, selection and solution evaluation prior to implementation to truly understand their needs, likes and dislikes.

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3. Create learning engagement strategies for each of your key learning audiences.

4. Create and manage a Learning Innovation Plan detailing innovation opportunities and priorities based on input from L&D, organisational leaders, learners and your IT team.

5. Plan how you will trial, evaluate and expand learning innovations.

6. Get an independently assessment and feedback of your learning technology – content, platforms and services approach.

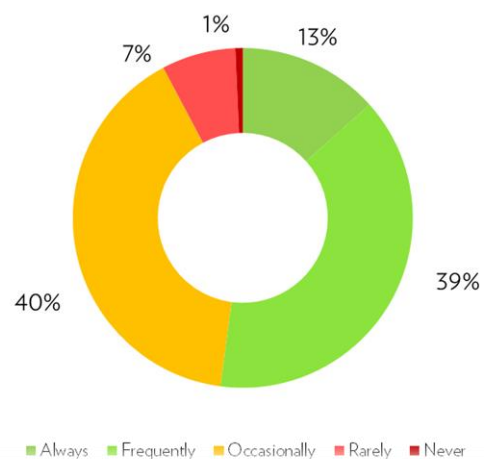# A significant proportion of digital learning customers fail to consistently get value for money

With learning content, it's a 50-50 chance of frequently or always getting value form money from suppliers.

With LMS platforms the situation is worse. 68% fail to deliver more than occasionally get value for money from their suppliers.
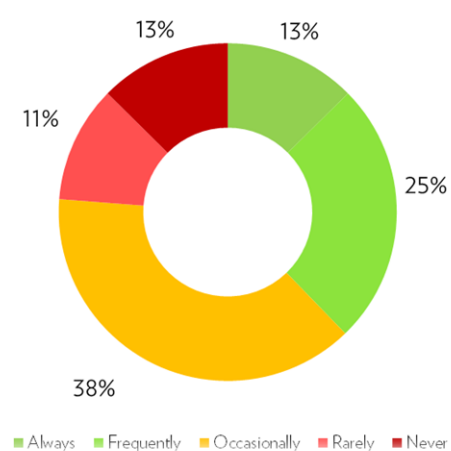
Across both learning content and LMS solutions only a very small percentage manage to always get value for money from their providers.

Practically what can buyers do to improve the value for money they get from suppliers?

How often do your Learning Content providers provide value for money?

- Always ■ Frequently ■ Occasionally ■ Rarely ■ Never

Always 13%, Frequently 39%, Occasionally 40%, Rarely 7%, Never 1%

How often do your LMS providers provide value for money?

- Always ■ Frequently ■ Occasionally ■ Rarely ■ Never

Always 13%, Frequently 25%, Occasionally 38%, Rarely 11%, Never 13%

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Here are some thoughts to consider as part of any action planning to improve a supplier's value for money.

1. Regularly re-assess your supplier short-list when tendering for learning solutions. Ensure you look for a range of options to understand the different cost and quality options.

2. Consider diversifying your procurement approach by adopting e-learning market-places to resource projects or share tenders.

3. Ensure you have a robust business case for each project and initiative. Measure and assess learning impact, reporting back to stakeholders the value your digital learning has contributed to your organisations goals.

4. Harness the infrastructure and tools that are already embedded in your organisation.

5. Increase the use of user generated content and adopt community based learning approaches rather than assuming learning content is always the answer.

Only 50% report always or frequently getting value for money from their learning content

Only 38% report always or frequently getting value for money from their LMS

What's Next?

This is the third and final report in the in Digital Learning Realities 2017 series. For further information, check out the action oriented datasheets that accompany this report. Each one provides advice for buyers of digital learning, including how to exceed learner expectations, how to deliver digital learning that provides the organisation with value for money and making sure you are innovating your strategy and approach. Download your copies here.

Together with Learning Technologies, we hope you will take part in the 2018 research when it opens later in the year so that we can continue to interrogate and understand the growing digital learning market.

Recommended Reading

- Digital Learning Realities Part 1: Organisation, Headcount and Budget

- Digital Learning Realities Part 2: Trends, Drivers and Measures of Success

- Digital Learning Market 2017: Exceeding Learners' Expectations

- Digital Learning Market 2017: Getting Great Customer Service

- Digital Learning Market 2017: Getting Value For Money

- Digital Learning Market 2017: Delivering Positive Impact

- Digital Learning Market 2017: Innovating Learning

- Fosway 9-Grid™ for Digital Learning

- Fosway 9-Grid™ for Learning Systems

- Fosway 9-Grid™ for Authoring Systems

- PLASMA Learning Cycle

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About the Digital Learning Realities Research

Two years ago, Fosway partnered with Learning Technologies, and its supporting community, the Learning and Skills Group to create a unique, independent research partnership designed to understand what is really happening in digital learning today; to enable companies to benchmark their own experiences and to build a picture of how the learning landscape is changing around them.

The aim is to provide precious information that helps learning professionals decide which tools and solutions to implement. Or how to get a handle on what's really happening in the market in terms of trends, growth, spend and customer success. Until now there has been no single place that provides a comprehensive assessment of the market.

Our research is 100% independent

There are no other sponsoring organisations or suppliers behind this research. Fosway Group is 100% independent and there are no vested interests behind our commentary which are intended to favour any vendor or market sector. Our views are our own and focused on the success of the learning professional, not on them buying any particular services or solutions, whether from us or anyone else.

Our views are our own

Fosway Group also has the privilege of drawing insights from survey data, vendor profiling and most importantly, rich conversations with some of the world's leading organisations who regularly participate in our roundtable events and briefings.

Click here for more information on Fosway's Next Gen Learning research.

Understanding the respondents

For the second consecutive year we have gathered over 1000 respondents to our survey, from customers, consultants and suppliers. This has enabled us to significantly build on the insights we gathered in last year's survey, The State of the Learning Technologies Market 2016.

They are overwhelmingly are based in Europe and are focused on European organisations.

- o   86% have an organisation headquartered

- o   92 % are personally based in Europe
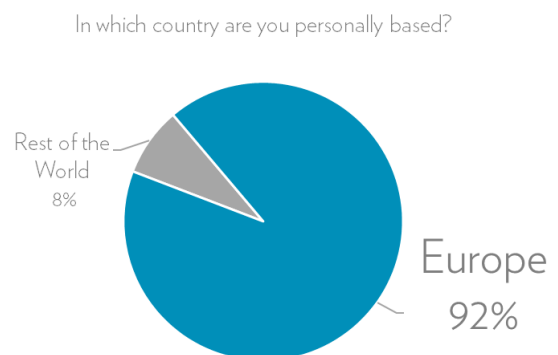
They also represent a good cross section of European industry:

- o   **45%** of respondents are from organisations **> 5000 Employees**

- o   **65% of r**espondents come from organisations **> 1000 Employees**

The survey also captures the views of providers and consumers.

- o   49% are customers, 19% are consultants and 32% represent suppliers

- o   In this specific report, we will focus 100% on the responses from customers - only.

In which country are you personally based?

Rest of the World 8%

Europe 92%

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Accelerate and de-risk

To talk to Fosway about our research on learning and talent systems, or to discuss what it might specifically mean for your organisation please contact us directly.

We will use our independent expertise to provide you with the guidance you need to accelerate and de-risk your decisions. We have a wealth of experience, tools, research and profiles at our disposal. We don't have any products to sell and we have no vested interest to bias your outcomes. We concentrate on pragmatic, independent advice.

Accuracy of information and warranties

The analysis and recommendations made in this document are based on the information currently available to Fosway and from sources believed to be reliable.

Fosway disclaims all warranties as to the accuracy, completeness or adequacy of such information. Fosway will have no liability for errors, omissions or inadequacies in the information contained herein or for interpretations hereof.

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About Fosway Group

At Fosway Group, we understand that developing and engaging people is how complex global organisations deliver performance and achieve success. Just as every employee's talent journey is unique, so is every organisation's people strategy.

Fosway Group's analyst and advisory services deliver the insights your organisation needs to achieve results and eliminate risk. We know that every aspect of next generation HR and talent are more intertwined than ever. When you work with us, you accelerate your insight and make better decisions.

We're Europe's #1 independent HR analyst, and just like the Roman road we draw our name from, you'll find that we're unusually direct. We don't have a vested interest in your technology or consulting choices. You can depend on us to tell you what you need to know to succeed.

Talk to us today at:

Email: info@fosway.com

Telephone: +44 (0) 20 7917 1870

Web: www.fosway.com

About Learning Technologies

Learning Technologies is Europe's leading L&D exhibition and conference. It is organised by CloserStill, Europe's premier media group for the learning industry, which provides conferences and exhibitions, industry awards, weekly webinars, publications and online resources: all in support of organisational learning and the technology used in learning at work.

Its events and publications comprise of:

- Learning Technologies Conference and the Learning Technologies and Learning & Skills Exhibitions
- Learning & Skills Group Conference and the Learning Technologies Summer Forum
- Learning Technologies Asia
- Learning Technologies France in association with iLearning Forum
- Learning and Skills Group, an international community of over 10,000 learning and development professionals
- Learning Technologies Awards
- Inside Learning Technologies & Skills magazine

Contact us at:

Email: info@learningtechnologies.co.uk

Telephone: +44 (0) 1730 817600

Web: www.learningtechnologies.co.uk