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What are the SME's needs related to e-learning?

DG Education & Culture European Commission,

e-Learning in Small and Medium Enterprises is still at an embryonic stage. A complete Survey analyses the reasons why and gives plenty of recommendations on how to improve the situation.

In September 2003, the Directorate General Education and Culture of the European Commission selected Unisys and its partner EuroPACE to lead a strategic study on e-learning in continuing vocational training, particularly at the workplace, with focus on Small and Medium Enterprises. A survey was launched to get a direct feedback from European SMEs, assessing with them the opportunities e-learning could bring as well as the barriers they encountered for and during implementation.

According to the Surveys' results, while most corporate companies have integrated e-learning in their training portfolio, SMEs are lagging behind. This article summarizes the major needs identified affecting SMEs. The list of needs is also a catalogue of opportunities for e-Learning providers, and a list of aspects to be identified and improved for SME managers.

Timeliness

SMEs devote little time to the learning activity: they are often guided by the daily pressure of the business, and a need for training will only be identified when a problem arises: therefore, SMEs will look for a quick fix, allowing to proceed with the business: they need just in time, bite-sized, to the point learning.

Informal/Collaborative Learning

SMEs have specific constraints: a same person has several responsibilities, most workers have little time and will look for only what they need, they will need it as soon as possible and very specific to their needs. No standard training will match 100% of the needs of individuals from SMEs.

Most of the learning in an SME is informal, i.e. it often takes place on the job, through a "sharing of knowledge" rather than in a "training". When confronted with a need, the SME worker will usually contact his network of reference people whom he trusts. He will look for an expert in the subject matter who will answer his specific questions.

Needs Identification

Most SMEs do not have a training responsible, nor a Human Resource Department aligning the skills of the employees to the strategic objectives of the enterprise. SMEs are often not aware of the development needs of their employees. Before SME owners can talk of development needs, they might need help to identify where they want to be, and where they are today.

e-Learning providers that meet some success will usually provide services to identify the needs at the level of the company and of the individual and explore with them the different learning options that are available on the market. This first step in the learning process usually takes place in a 2-hours face-to-face meeting: the proximity of the service provider and his good understanding of the local language are a must to support the definition of the needs.

Guidance in the Learning Offer

Once the skills development needs have been identified, the potential learning solutions must be analysed and a training scenario has to be set up. The existing e-learning offer is perceived as abundant, with little information on its adequacy and effectiveness. SMEs want support to help them find what learning opportunity will best match their business and development needs.

Quick Assessment Tools

One of the perceived advantages of e-learning is the steadiness of its quality: it will be the same wherever it is delivered, independently of the mood of the instructor or the time he had to prepare his course. Yet, determining the quality of an e-learning course is one of the difficulties. Books are perceived as easier to assess: you can open a book, have a quick look through it and decide on the value of its contents. How can an SME owner make a quick assessment of an e-learning course? How can he evaluate the depth in which subjects are handled, the adequacy for his own environment?

Easy access to figures and benchmarking information, quick assessment tools, as well as clear standards would provide SMEs with objective decision criteria.

Awareness Raising

SMEs are not well aware of what e-learning is. They will not be interested in e-learning as such, as it is only one of the means to deliver knowledge. They need to understand what the development of the skills of their workers could bring to them and where e-learning fits in the picture.

Information should be very practical, give the indications where SME owners will find guidance for the assessment of the skills of their employees, for the definition of the development needs, for the learning options that will best meet these needs.

Today, SME owners are not convinced of the effectiveness of e-learning, whereas they still trust that employees will get some benefits from classroom-based trainings. An awareness raising campaign will only be effective when there is a practical, user-friendly, easy to use offer behind it.

Contents

When analysing the subjects that should be covered by e-learning, all the sources agree that the most important subject is the core business of the enterprise, "everyday business". The current training offer is often evaluated as "too horizontal", bringing the overall management and administration guidelines but not conveying the expertise workers need to do their job. SMEs do not have the critical mass to develop e-learning courses or have them developed for their sole use. They clearly need to be part of a larger learning community they can trust. Yet, SMEs are afraid to share knowledge and give away their business secrets: in some cultures, they will not share industry specific information.

Besides the core business, the skills that need to be developed in SMEs are the ones that will bring them the ability to survive in the market. Therefore, the learning offer should also cover general skills, as management skills, accounting, office tools, language skills, etc.

Customisation of Course

SMEs need courses that respond to their specific needs. Several options could be explored for the customisation of course content. User-friendly authoring tools would enable the SMEs to tailor existing courses for their own environment.

Information Network

First of all, the information needs to be shared within the enterprise: SMEs often do not have documented procedures. They need to be aware of the importance of managing and sharing the knowledge and culture inside the company e.g. via an intranet.

Sustainable Solutions

As we can see from Gartner's study on the purchasing behaviour of SMEs, they require solutions that will work in time and will preferably work with long established relationships.

Infrastructure

Though a lot of effort has been done in the provision of infrastructure, all SMEs do not have the necessary infrastructure for e-learning and broadband connectivity is still mentioned in most sources as one of the major hurdles.

User-Friendly Instruments

The learning tools should be easy to install and nice to use. SMEs do not have the time nor the resources to solve technical problems or learn sophisticated users' notices. Installation and operations of the e-learning solutions should be simple and quick.

Access To Matter Experts And Support

A web course with no human interaction is a course where you have no opportunity to ask questions. Traditional learning has a considerable social aspect, which needs to be reproduced in a web-based environment. Students must have access to an expert who can answer their questions. The credibility of the expert needs to be established. Some e-learning projects start with a "kick off" meeting, where students and tutors meet and get to know each other.

Students should also have access to help when they experience technical problems: "Technology problems and glitches are frustrating to the learner when they happen" (Schooley C. (2001). Justifying IT Investments: Training and Learning)

As an important characteristic of e-learning is the flexibility of the learning schedule, support must cover extensive time frames (Abdelli Z. (2003). Formation En Ligne Et PME Québécoises)

Cost of Learning

Learning is a cost, and the SME owner does not always consider it as an investment for the future. Depending on the size and turnover of the organisation, learning could easily become an activity that is out of reach: the enterprise needs to pay both the salary of an "unproductive worker" and the price of the training.

Education is a cost that is usually taken up by society. Not all SMEs do consider that the development of the skills of their employees is part of their mission.

Individual Follow Up

E-learning requires more self-discipline than traditional classroom-based trainings. There is a risk to increase the skills gap between individuals: some could give up learning whereas others could become learning geeks.

An early education of the lifelong learner and an individual follow up should prevent the risk of having too high a "drop out" rate.

Knowledge of Return on Investment (ROI)

An enterprise should constantly evaluate how learning programs can help it achieve its business goals. The main objective of an SME when purchasing IT software or services is to improve the performance of its staff, hence have a better bottom line.

Today, there is no "rule of thumb" to calculate the effective ROI of e-learning, and experts have different opinions on the cost of e-learning.

Computer Literacy

All SMEs are not using computers; some of their employees have never worked with a computer before. As the study on "e-learning Readiness" by the Economist Intelligent Unit shows, all countries are not equal in front of and closely followed by Western European countries. The new joiners of the European Union will still need to invest in the infrastructure, the capabilities, the content and the culture, which are defined as the 4 main criteria for the measurement of e-learning readiness.

Brokerage

"SMEs are often unable to articulate and scope their learning needs. There are difficulties in assessing the merit and value of available programmes and learning materials, which are often perceived as failing to meet firm-specific needs. Finding appropriate training is also made more difficult by a culture clash with external training providers, especially in the public sector, who are seen as unable to understand business processes." (Reich, K. & Scheuermann, F. (2003) *E-Learning Challenges in Austrian SME's*).

Between the e-learning providers and the SMEs, there is no dialogue: on one side, the providers say SMEs do not understand the advantages of e-learning, on the other side, SMEs believe e-learning does not meet their needs. A brokerage could support a better dialogue between providers and users.