

eLearning in South East Asia

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Abstract

In May and June 2005, the Cape Group conducted a comprehensive survey of the use of eLearning in South East Asian organizations. Countries covered in the survey included Thailand, Malaysia, Singapore and Philippines. The objective of the research was to uncover how organizations in South East Asia are using eLearning, to explore their reasons for choosing the eLearning path, key success factors and plans for the future. Questions asked to the organizations during the execution of the research included:

- ☞ motivations and expectations of learning programs
- ☞ kinds of learning solutions implemented
- ☞ content and outcomes of learning programs

This research will provide eLearning practitioners with a comprehensive overview of the state of eLearning in South East Asian organisations today and how return on investment (ROI) is being measured and achieved. The results of this research will be compared to an earlier report published by Cape Group on the use of eLearning in Australia and New Zealand.

To date, certain pertinent points have been identified from the research. One major takeaway point was that the eLearning solution is still in its infancy in South East Asia and that much still needs to be done in terms of people, process, content and technology. Majority of the respondents were multinationals whose

eLearning solution is part of a regional or global strategy. As such, these organizations did not have much (and for some, any) contribution in the selection of the eLearning solution hence finding it difficult to enhance it to meet the requirement of the local organization's business needs. Another significant finding was that most of these organizations are still struggling to fully utilize the eLearning solution and have no real measurement in place to track the expected benefits post implementation.

The key challenges faced by South East Asian organizations in effectively using their eLearning solutions include User Adoption (Change Management) and Technology.

User Adoption is a continued challenge for almost of the respondents due to reasons that varied across the organizations. The recurring reasons across the organizations were:

- ☞ Need for senior management support
- ☞ Need for more engaging content
- ☞ Need for more localized content
- ☞ Need for better learning management capabilities

Key challenges surrounding technology cited by the respondents included:

- ☞ Lack of technology readily available to employees to access learning anywhere
- ☞ Lack of consistently reliable access to the eLearning solution
- ☞ Lack of integration with other systems e.g. HR and/or Performance Management System

Having implemented their eLearning solutions, the focus of all of the respondents is

now on solution capability enhancement, user adoption management and most importantly benefits measurement. All of the organizations interviewed were employing the standard techniques of gathering feedback and assessing learners to qualitatively measure the benefits of their eLearning solution. On the other hand as mentioned before in key challenges, majority of the managers interviewed confirmed that their organization was not *quantitatively* measuring the benefits of their eLearning solution due to lack of tools or understanding on how to do it.

Introduction

To gain a better understanding of how far South East Asian (SEA) organisations have progressed into the eLearning journey, the Cape Group interviewed a number of top SEA organisations to understand the imperative for launching the eLearning initiative, challenges faced by the organisations, key success factors and plans for the future.

Where technology enabled learning is concerned, it's not a new concept to SEA organisations as most either already have Online Content or a Learning Management System (LMS) or are in the midst of implementing an LMS in their organisations. However, there is still sizeable amount of work to be done in the areas of IT and stabilization issues, language issues, change management, top management support and benefits realisation.

Aside from external factors, internal factors such as lack of top management support, internal capabilities and cultural sensitivities within the organisation also posed as stumbling blocks to some degree in the path of a successful eLearning initiative for the organisation. While it is right to point out that the eLearning industry for the most part is relatively in its infancy in SEA, majority of the

respondents interviewed realise they need to review the current state of their LMS and how to reset it back to the right path for most admit their LMS are severely underutilised at the moment and not fully using its potential to penetrate all aspects of the learning solution.

The 2005 Cape Group eLearning Research in South East Asia looks at the eLearning journey of the leading organisations across 4 countries in SEA.

About the Report

This research was conducted from May to July 2005. It comprised of in-depth interviews a number of the top organisations in Thailand, Singapore, Malaysia and Philippines. The objective of this research was to analyse how technology is being used to enable learning within organisations and more importantly understand what sets apart those companies who are achieving tangible results from technology enabled learning from those that are not.

This research also examines the motivations and expectations of SEA organisations embarking on eLearning as well as the anticipated versus actualised benefits surrounding the learning initiative. Other factors examined include post implementation challenges, measurement of learning and its impact to the organisation and future plans around technology-enabled learning for the organisation.

Selection of the organisations was based on : industry, market profile, organisation size, and perceived learning and development capabilities. The goal was to achieve a balanced representation on organisations in various stages of eLearning usage.

Organisations that participated in the research across the four countries are from the following industries segments: Banking, Financial Services, Oil & Gas, Retail & Distribution, Express & Logistics, Manufacturing, Telecommunications, Healthcare and Information Technology.

The majority of the organisations surveyed were multinational corporations (MNCs). As we found in most MNC setups, the majority of the organisations interviewed state that their eLearning solution is part of a regional or global strategy. As such, a number of the respondents did not have much (and for some, any) contribution in the solution definition, business case and implementation of the eLearning solution.

The learning portfolios for the countries varied slightly due to the differences in the role each country plays. Some take on a regional role while others are focused on their country requirements. For example, the majority of our Singapore respondents acted as a regional hub for MNCs. As a result, their learning portfolio included not only that of Singapore but also included the entire Asia Pacific region. This was also true for a few of the companies in Malaysia. With respect to Thailand and Philippines, the learning portfolio of the organisations interviewed governed only that of the local organisations.

Key Findings

The key findings of the state of eLearning in SEA were as follows:

- Globalisation and business imperatives drive the need for eLearning
- There is a lack of, and thus, need for change management in managing the eLearning initiative
- Learning management systems (LMS) are the backbone for corporate learning
- An increasing need for building local capabilities in the area of eLearning exists
- Improvements in technology infrastructure will impact progress of eLearning in the developing Asian countries

Change Imperative and Business Case

One of the key questions asked in this research was with respect to the key drivers of the eLearning initiative. The majority of the respondents stated that globalisation and business imperatives, specifically cost reduction and greater flexibility in learning, were the main reasons behind the eLearning initiative.

For the most of the organisations interviewed, eLearning represents greater availability and flexibility of on-demand training for employees. eLearning is also viewed as a mode of communication to provide information to geographically dispersed employees in a timely and cost-effective manner.

As is the case for most business transformations, a clearly defined business case can secure executive and financial support. This was the case for the majority of our respondents in the four countries surveyed. However it is here that the global vs. local distinction becomes evident. For those organisations whose eLearning initiative was part of a regional or global program, many of our respondents were not part of the regional or global team that developed the business case. As a result, many of our respondents do not have visibility of the business case.

On the other hand, the local corporations interviewed were varied in their response across the countries with respect to their business case. In Malaysia, the local corporations did formulate and define a business case for the eLearning initiative. Whereas, in Thailand, many of the local organisations did not choose to develop a business case before or after the implementation of the eLearning programme.

Solution Landscape

In most of the organisations surveyed, eLearning is predominantly an enterprise-wide initiative. Several organisations segmented their learning to specific levels of employees or targeted to only select business units. The

reason for this could be because eLearning is still very much in its early stages of post implementation or have just gone live for many of the organisations interviewed.

Almost all of the organisations interviewed in SEA have a LMS in place. However most of the companies have no plans in place yet to add an LCMS or learning content authoring tool. This is primarily due to the fact that most of the organisations interviewed are MNCs whose eLearning content creation is centralised at the regional (e.g. Singapore) or global headquarters.

Organisations in Thailand and Philippines are still in the early stages of technology adoption. They are mostly applying the most commonly used eLearning technologies such as self-paced web-based programmes, but due to issues with technical infrastructure and broadband access, have yet to take advantage of the more advanced eLearning technologies and tools available in the market.

In contrast, organisations in Singapore and Malaysia are employing various types of eLearning to continuously engage their employees including virtual classrooms and mobile and wireless learning.

To date, most of the organisations interviewed are using their LMS systems primarily for delivery of online training and management of training transcripts. Almost all of the respondents continue to use Microsoft applications, such as MS Excel and MS Access, for the management of classroom resources and logistics. This can be partly contributed to the fact that majority of the organisations are on a regional or global solution that currently does not allow for organisations to perform classroom and resource management at the local level. At the same time, the under utilisation of the LMS' can be contributed to complacency. Many respondents have lamented that they

know the LMS can do so much more but they have yet to fully explore its potential due to not knowing where to start and admitted to not having a thorough understanding on how the LMS works.

There is a concerted effort by organisations today to ensure that the learning function is effectively linked to the human resource information systems (HRIS). Many of the respondents cited that their focus after the stabilisation of eLearning will be to integrate components of their learning systems with their HRIS systems and human resource processes.

The organisations surveyed also used more than one form of content. More often than not, they employed a combination of internally developed (self-paced) content, off-the-shelf content and custom developed content. This can be contributed to the fact that much of the off-the-shelf content does not cater to industry specific content i.e. regulatory and/or compliance standards, business skills and new product/solutions programmes. There is a concern amongst the organisations interviewed that as the learning needs in the organisations grow, off-the-shelf and custom vendor type of content will lose its relevance and cost effectiveness to the business. This is due to the increasing need to meet the local business needs and cultural business environment of the SEA organisations.

Many of the respondents cited the desire and need to have an internal instructional design team so as to minimise the disconnect between off-the-shelf content and overseas vendor developed content where learning programmes and content are concerned be it in translation or even modification of learning programmes. The learning programmes developed in global headquarters are generic soft skills and compliance training. The need for this training to be relevant to Asian businesses is not as big a priority as say for example it being more interactive and engaging.

Implementation Challenges

The top most challenges faced by the organisations during the implementation of the eLearning solutions were change management, IT issues and system performance.

Most respondents agreed that there was almost no change management programme developed except for the standard communications plan. All respondents felt that there was no active process in trying to engage the employee from the moment the LMS is being implemented. Their frustration is that programme management does not see it as a priority as it assumes that most employees will readily accept the eLearning solution either out of natural interest or resigned compliance (vast majority).

In countries like Thailand, organisations reported encountering resistance to the eLearning initiative due to cultural and behavioural attitudes where learning is concerned. Here traditional classroom style training with handbooks and a teacher is norm. It would require a great mindset shift for the employees to adopt eLearning as the preferred method of learning. Training was also cited as an area that was not addressed sufficiently prior to go-live.

Benefits Realisation

One of the biggest issues faced by the respondents is around measurement of benefits and effectiveness of the eLearning solution. The majority of the respondents admit to only measuring via learner self reporting or number of employees trained or even keeping tab on the results gained from assessment and tests done during the eLearning session. A minority of the respondents are already progressing to the next level of measurement i.e. productivity improvements and ROI. In countries like Singapore and Philippines, some of the

organisations interestingly reported no measurement whatsoever because there was not any need for justification from top management. When probed further, these respondents state that learning is viewed as a cost that top management readily absorbs whether it brings benefits or not because it is seen as the right thing to do. In Thailand and Malaysia, top management are looking for tools to measure the benefits and returns of their learning programmes in order to justify the effectiveness of the programmes as well as the need for further improvements and investment in these programmes.

Moving Forward Challenges and Focus

Certain issues continue to challenge the organisations after go-live. Change management was overwhelmingly the top challenge post go-live for all organisations interviewed. In Thailand and Philippines, IT issues continue to persist post go-live and can be contributed to the fact that most of the organisations interviewed are MNCs wherein the eLearning solution is not locally hosted thus there is continued issues with network bandwidth. In all organisations surveyed, continued communications and marketing of the eLearning solution is used as means to increase user adoption and discipline around using the solution.

The focus of the majority of respondents going forward included integrating learning as part of the overarching human capital strategy of the organisation, benefits realisation of the eLearning initiative and development of a comprehensive change management programme to address employee engagement and user adoption issues.

The eLearning journey in SEA is still in its infancy, there is much to do to in achieving all the potential benefits. A large number of organisations surveyed felt that their solution will never be complete. For these organisations, eLearning is a continuous journey of improvements. New functionality and processes need to be built while trying to

change the mindset of the employees in order to utilise the system to its full potential.

SEA versus ANZ

A comparison of the state of eLearning in SEA (Singapore, Thailand, Malaysia and Philippines) against that in ANZ (Australia and New Zealand) shows us that there are more similarities than differences in the challenges and success factors faced by organisations that have embarked on this journey. The key findings in this comparison study are as follows:

Change Imperative: Globalisation and business imperatives were the key drivers behind the eLearning initiative for organisations in both regions. In fact, many eLearning solutions that are being conceptualized, designed and implemented for Asia Pacific are being done in Australian organisations.

Business Case: In contrast to Asia, most organisations in the ANZ region did develop a business case to justify the investment in eLearning and facilitate senior-level buy-in for the proposal. In the SEA organisations interviewed, their eLearning programmes were based out of regional (some of them were in Australia) or global headquarters where the business case was developed.

Solution Technology: An LMS is the backbone for corporate learning for an overwhelming majority of the firms across SEA and ANZ regions. However a key difference between the regions is that in ANZ many of the organisations had more than one LMS in place due to internal politics or lack of integration in the

organisations. In contrast, most of the SEA organisations had only 1 LMS in place. Moreover, very few organisations in SEA have yet to implement an LCMS which has already gained momentum in the ANZ organisations.

LMS Features: Interestingly, organisations in both regions have readily embraced self-paced eLearning but are yet to embrace other technologies like virtual classrooms and mobile/wireless learning. Although it is on the rise for users in organisations interviewed in the ANZ region, we can see that these technologies are still years away from being the preferred mode learning.

Content: Although organisations in both regions are using a combination of off-the-shelf, custom vendor developed and internally developed content, more than half of the organisations interviewed in ANZ are developing their own content which is not the case in SEA organisations where content development resides at regional or global headquarters.

Implementation Challenges: This was the most interesting finding in our study. The top most challenge faced by organisations in SEA and ANZ was Change Management, followed by IT issues and integration with HR systems. It is interesting to note that despite the lack of behavioural or cultural barriers to learning in ANZ (which is the case in SEA as discussed previously, change management and training were cited as areas that were not addressed sufficiently).

Going Forward Focus: For most of the SEA organisations, the next focus areas are integration of learning with HR processes and systems and benefits realisation of the eLearning solution. While for the ANZ organisations, integration with HR systems and content development were the key areas of focus.

Conclusion and Considerations

For most of the organisations surveyed in Thailand and Philippines, eLearning is still in its infancy and implementation is merely the first stage in their eLearning journey. Whereas in Malaysia and Singapore, the eLearning market is more mature and the challenges faced by the organisations are different due to the maturity of the organisations, the workforce and the eLearning market in those countries.

However, respondents i.e. HR professionals in both regions realise that learning just cannot be standalone or just a subset of the human resource process rather it needs to be aligned with the business objectives of the organisation and included as part of the people development and performance management process. The promise of achieving a learned and skilled workforce is achievable however several key changes need to occur. These include changes in learning behaviour and a mindset shift around the use of eLearning. It also means that key business decision makers need to see beyond the eLearning system as being something purely administrative and rather to start utilising it to realise the potential of human capital in the organisation and finally business goals.

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