



A STUDY OF E-LEARNING IMPLEMENTATION IN CORPORATE SECTOR

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ABSTRACT

Research indicates that successful adoption of information systems (IS) to support business strategy can help the organizations gain superior financial performance. e-Learning can be defined as learning through information and communication technologies and it should include a mechanism for forecasting the actual expected benefits, converted to monetary values, and then comparing the benefits to the projected cost. This article will discuss strategic planning in terms of the organizational elements and the e-learning program requirements that are necessary to build a framework in order to institutionalize and sustain e-learning as a core business process. The elements of the organizational framework include leadership, change management strategies, the technology infrastructure, and the organizational structure. The e-learning program requirements include instructional systems, roles and competencies of key staff people, and budgeting.

KEYWORDS:—e-Learning, organization performance, performance evaluation

INTRODUCTION

During the global economic expansion of the 1990s, the advent of the Internet, together with the widespread adoption of advanced technologies, helped fuel the implementation of online education and training both in the academic and business worlds. In the knowledge-based economy, people have been identified as the key for success of organizations and businesses. Organizations and businesses need to

recruit, retain, and update highly skilled people in such an economy. The present challenge is more than moving learning seamlessly through an enterprise; it is to ensure that the right skills and competencies play in key elements of organization. To thrive in such situation, firms need to provide the skills development and education to workers. Driving each of these developments, combined with the new technological infrastructure, eLearning has been



identified as the enabler for people and organizations to keep up with changes. A diverse range of organizations are appraising and integrating e-Learning in their training and learning strategies, with corporate organizations in the finance and technology sectors setting the trend. However, now many companies have struggled with the real costs, benefits, and return-on-investment of adopting e-Learning. The effects of adopting e-Learning for firms may be associated with improved performance. There are many organizations seeking to understand the economic benefits of their learning initiatives, and to leverage that understanding to improve the efficiencies and effectiveness. Therefore, the evaluation of an e-Learning should include a mechanism for forecasting the actual expected benefits, converted to monetary values, and then compare the benefits to the projected cost.

ADVANTAGES OF E-LEARNING

The advantage of e-Learning could be discussed in four dimensions:

A. Cost savings When delivered through technology-based solutions, training is less expensive per end user due to scaleable distribution and the elimination of high

salaries for trainers and consultants [1]. Further, online training is scaleable because it offers the ability to add instructors and students as needed, with fewer changes and redevelopments [2]. This results in both significant cost reduction and also reduction in lost time and opportunity from having employees away from their responsibilities for extended periods of time. Employee training, fees for conferences, educational seminars, and the costs of hiring consultants can be reduced when companies utilize distance learning and computer based training (CBT) courses. They enable organizations to cross geographic boundaries, cut costs, and share knowledge [3].

B. Employees training Employees can then access training when it is convenient for them, at home or in the office [1]. e-Learning can improve retention by varying the types of content (images, sounds, videos and text work together), creating interaction that engages the attention (games, quizzes, etc.), providing immediate feedback, encouraging interaction with other e-learners and e-instructors (chat rooms, discussion boards, instant messaging and e-mail all offer effective interaction for e-learners) [4]. Online class can be an acceptable alternative to a traditional



lecture based class with regard to exam achievement [5].

C. Organization learning The ability to store the material can largely contribute to a knowledge database. Maestro-Scherer [6] shows that the use of technology in a group process to increase individual participation and group learning. Reducing the turnover rate helps to keep knowledge within the organization - a benefit that is especially important during times of scarce skilled labor [7]. e-Learning has the advantage of being applicable across all areas of workforce training including career development training, new employee orientation, new service or product information, or just updating and upgrading of work knowledge, competencies, and skills [8]. With the help of e-Learning, organizations can look for seamless transitions from live group activities to individual exercises, from self-paced learning activities to synchronous instruction, from activities in smaller groups to activities in a larger learning community [9].

D. The Positive Impact of e-Learning The use of e-learning for enhancing quality and improving accessibility to education and training is generally seen as one of the

keystones for building knowledge society. [4]. Vertical markets that have seen the most rapid growth of e-Learning include information technology, financial services, health care, and government. Pressures on financial service companies to continually train their employees have e-Learning suppliers reaping profits. High employee turnover and a general obsession with doing things properly cause the industry to spend more on training than most other fields [10]. Continuing-education requirements for banking and insurance professionals - coupled with a range of federal, state, and industry-based certification programs - have made e-Learning attractive in those areas. Many large investment banks and insurance firms, such as Merrill Lynch and Prudential, have begun augmenting training programs with e-Learning [11].

e-Learning constitutes a growing share of total IT related training worldwide, though it does not account for more than a quarter of the total IT training market, which indicates room for significant continued growth [13]. At the same time, leading IT providers have developed lucrative IT training divisions based on certification programs for their technologies. Cisco, Sun, and Microsoft have all been increasingly active in this regard. The



expenses facing employers who seek to keep their IT staff current on IT technologies and the inherent demand for training that successful IT certification programs have created have made IT a leader in adoption of e-Learning [11]. As evidence of its value to these market segments mounts, e-Learning will expand into other markets where demand for training is less robust but still vital for organizations' success. These first-generation adopters will reveal a direction for broader adoption of e-Learning among the broader corporate community.

Organizational Structure

The placement of an instructional design unit can greatly affect its success (Lent, 1990). The unit should be placed as closely as possible to its targeted audience. Lent (1990) goes on to advise that a training unit with a mandate to improve overall business should be placed highly in the organizational hierarchy, close to the power base, highly visible, and have access to key decision makers. Conner and Clawson (2003) caution that technology must be viewed as a tool playing a supporting role to enhance learning and communication within the organization. The social network of people within the organizational

structure is the crucial factor in interpretation and application of the learning delivered via that technology. This social network component cannot and should not be automated (Conner and Clawson, 2003).

Learning Management Systems and Instructional Systems Design

Learning management systems (LMS) are organization-wide components of the technology infrastructure that manage, monitor, and maintain electronic data and communication. Although the technical responsibility for the system rests with the IT department, organizational learning is a combination of formal and informal activities that run horizontally and vertically through the entire organizational structure (Snook, 2003). According to Snook (2003), this means that the LMS needs to be integrated with all other business processes to support a learning culture and to benefit the organization. A high level of collaboration between the IT staff and the e-learning team is necessary during all stages of design, development, and implementation of learning and knowledge solutions. LMS can be developed in-house or contracted out. There are advantages and disadvantages to



either choice. Troha (2002) and Snider (2002) advise that selecting a provider is a challenging decision that should be planned carefully and that no single vendor can deliver all solutions. Troha (2002) suggest that organizations:

- Develop and confirm precise, comprehensive selection criteria before meeting prospective providers.
- Use a preliminary design document and selection criteria to interview prospective providers.
- If new to e-learning, start small by limiting the financial commitment to a small initiative.

Design, development, and technology delivery of the learning content is the main task of the Training Department. Schreiber's (1998) Instructional Design Model for Distance Training (IDM-DT) provides a reiterative systems processing model for developing and implementing distance training. This is a systems approach that bases performance outcomes and training needs on business goals and focuses on determining the most effective use of technology. It serves as a good model for organizations that are considering implementing and sustaining distance-learning systems.

Staffing

An e-learning organization requires staff input from a variety of competency areas. Staff can belong to the organization or be external to it. Although written for distance education in higher education, O'Rourke's Roles and Competencies Report can serve as a guide for e-learning staffing needs and activities. According to O'Rourke (1993), staffing areas can be grouped by category according to the roles and competencies they hold.

- **Leadership Roles.** Administrators, managers, and senior teaching staff with vision and access to financial support.
- **Administrative Roles.** Directors, managers, and project leaders who identify training needs, recruit staff, and handle finances.
- **Teaching and Course Development Roles.** SME; instructional and graphic designers; media specialist with knowledge of technology, content, and learning theory, and may not have direct contact with learners.
- **Teaching, Tutoring, and Student Support.** Mentors, facilitators, or teacher with direct contact to learners, materials, and delivery technology. Needs



interpersonal skills and ability to communicate the organization's perspective to learners.

- **Logistics and Coordination.** This area would include IT and technology infrastructure and handles registering students and ensuring that materials and technology are accessible.

- **Research and Evaluation.** Monitor, test, and review results of training evaluation.

CONCLUSION

In this paper, the author has investigated the impact of e-Learning on organizations' performance. This better understanding of financial and performance impacts should help to improve the sustainability of e-Learning adoption. According to the statistical results of this study, there are significant decreases in the LPEMP/S-OEXP/S after three consecutive years. In the profit ratios, the results show the significant increase in the ROAROI after adoptions. Further, the research found in cost ratios that includes COG/SEMP/S has significant different between non-adopter. The result of OEXP/S is significantly different between e-Learning adopter and non-adopter in the third year. This result shows an indirect relationship between IS and the reduction of production costs. The

effects of reduced OEXP costs are not obvious different than non-adopter in the first and second year. The employees need time to adjust themselves to their own utilization. On the other sides, Table IV shows that eLearning did not decrease the Labor productivity Administrative productivity compared to non-adopter. Rai point out that if the objective of proposed investments is to improve business performance, the justification should be closely tied to the organizations business planning processes and aligned with both short-term and long-term strategies. The results of Labor Productivity Administrative Productivity did not significant may be aligns with more factors like firm strategy.

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