



Making the right choice for your institution's long-term online learning needs

Differentiating through an integrated learning platform (ILP)

SUMMARY

Catalyst

Colleges and universities are facing a period of unprecedented change that will call into question existing business models and definitions of quality, ultimately driving the transformation of teaching and learning. Over the last decade, learning management systems (LMS) adoption has become widespread, touching institutions large and small, public and private, across the globe. These implementations have yielded some productivity benefits but have not delivered on the growing need to improve access and quality while reducing costs. Many administrators, faculty, and students are likely to find legacy solutions and traditional approaches to the LMS insufficient to support long-term needs as the next generation of online learning is about to move through higher education. Solutions and strategies are evolving rapidly, making it difficult for institutional decision makers and stakeholders to identify the best path towards realizing value from their LMS investments.

Ovum view

Taking a more integrated, platform approach to the underlying technology for online learning will deliver a significantly higher return on investment (ROI) through enhanced institutional flexibility and business agility. In response to a rapidly changing industry environment, online learning will become increasingly important, and expectations for service and experience will grow. Many existing LMS implementations will be unable to keep pace. Choosing the right strategy and solution in this environment will require institutions to look beyond discrete LMS applications.

Key messages

- The higher education industry is changing rapidly.
- A new and more pervasive approach to teaching and learning is required.
- The competitive landscape for online learning solutions is in flux.
- Realizing long-term LMS value starts with flexibility and agility.

ILP ENABLES DIFFERENTIATING ON TEACHING AND LEARNING

The higher education industry is changing rapidly

Colleges and universities are facing a period of unprecedented change. Longstanding and deeply held beliefs about what constitutes quality education, how it should be delivered, and who should deliver it are being called into question. Moreover, broad access to high-quality, affordable education has never been more important to economic development or personal financial stability. Exacerbating these challenges is an accelerating rate of business change and unpredictability, driven in part by rapid technological developments that are dramatically expanding service expectations. In the end, institutions should prepare for a future rife with change that is constant, rapid, and unpredictable.

The sustainability of the current model is in question

Across much of the world, the fiscal sustainability of higher education is in question. Costs have continued to grow and outpaced the ability of many families to pay. There is broad recognition that institutions must not only reduce the cost of delivering traditional education services but develop new services that generate new revenue streams as well. Achieving this aim successfully will require far more flexible programs and delivery models than currently exist.

Greater accountability will improve institutional outcomes

Over the last decade, public calls for institutional accountability have become increasingly strident. Historically, the onus for performance outcomes rested primarily with the individual rather than the institution. If a student left a program for academic or personal reasons, it did not reflect poorly on the college or university.

As costs have risen and the link between an educated workforce and economic development has tightened, however, many stakeholder groups, including governments, think tanks, associations, and even media outlets, are holding institutions directly accountable. For example, government agencies are increasingly tying funding – both direct and indirect through financial aid – to performance outcomes, often graduation and employment rates. Regardless of the source or structure of these new accountability mechanisms, most institutions are ill prepared to address them in strategic ways. Analytics and reporting have been primarily confined to back-office and budget planning functions, but there is now a growing appetite to use these solutions to drive program effectiveness and early-warning systems for retention efforts.

Student expectations for service and experience are increasing

The exceptionally competitive consumer market has honed the service expectations of existing and future students. If students receive highly personalized service and product recommendations from Amazon, Facebook, and Netflix, then it is hardly a stretch for them to expect far more from an institution with which they spend four or more years and potentially hundreds of thousands of dollars.

In the absence of strategic vision and the right technology, the unfortunate reality is that most colleges and universities are struggling to meet even the most basic expectations for personalized service. In some ways, the large and growing number of "swirling" students evidences this

struggle. Instead of finishing their degrees at a college or university, these students are amassing credits from a number of institutions as in a way that better suits their needs and preferences. In an environment where tuition revenue and efficient cost management is critical, these types of enrollment patterns pose a significant problem.

While institutions have invested heavily in concierge-type services to improve the student experience, the next, and likely more effective, step is to deliver a higher quality teaching and learning experience through more personalized, engaging, and accessible academic services. As additional resources are improbable, the most successful institutions are likely to apply powerful technology to support the individualization of instruction based on such factors as preferences, performance, and program requirements.

Invest in next-generation online learning and technology solutions

Navigating this rapidly changing and increasingly unpredictable environment will require institutions to take a new and more innovative approach to teaching and learning. At the most basic level, this means recognizing that teaching and learning are key differentiators and institutional IT budgets should be proportionate. Technology will be crucial to executing these strategies in efficient and cost-effective ways. Solutions do exist, but a confusing competitive landscape impedes decision making.

At its core, higher education is about teaching and learning

The primary purpose of most colleges and universities is the advancement of knowledge, including teaching and learning. Over the last few decades, the role of student services has expanded in exciting and profound ways, including the development of robust living and learning communities. Faculty and staff recognized – and students demanded – that institutions foster learning outside of the classroom. Administrative computing budgets grew as significant investments were made in student information systems (SIS), enterprise resource planning (ERP), and business intelligence (BI) solutions as well as infrastructure projects such as Wi-Fi.

However, as online learning gained in popularity and stakeholders increasingly saw it as a way to address difficult industry challenges, investments in LMS have also grown and these systems are now widely seen as mission-critical. Furthermore, the most innovative institutions often identify the LMS as crucial to differentiating themselves through services to students. Ovum anticipates that the ascendancy of academic computing will continue as more institutions align IT investments to be proportionate to the priority of core services.

Inclusive, proactive, and individualized is the mantra for academic services

This next generation of online learning, however, must evolve in important ways to deliver a higher-quality and differentiated experience to students.

To be certain, there are pockets of extraordinary innovation in terms of online and hybrid instruction. Leveraging technology and pedagogical expertise from a variety of sources, dedicated faculty and staff have created exceptionally engaging courses that push the boundaries of traditional instruction and redefine best practice. Generally, these teaching and learning experiences have three broad characteristics. First, the services are accessible to all, regardless of location, special needs, or even course type. In order for a true transformation to occur, next-generation services need to be truly inclusive and pervasive. Second, instruction is dynamic and

evolves as the needs and development of the student unfolds. Not every student follows the same path to knowledge and insight, and thus instruction should recognize these differences and evolve in proactive ways to ensure they all meet at the final destination. Third, preferences of the teacher and the learner are taken into account in meaningful ways as flexibility and the ability to personalize cultivate buy-in and relevance. The challenge, however, is scaling these characteristics in efficient and cost-effective ways such that these "pockets of innovation" become the norm rather than the exception.

Institutions need a new generation of tools, but confusion exists

Bringing this more engaging and outcomes-centric vision for teaching and learning to life will require not only a new set of technology tools but also a different approach to putting them together. Everything that colleges and universities need to create more inclusive, proactive, and individualized teaching and learning experiences in an efficient and cost-effective way exist today. The challenge is that the sheer volume of tools and solutions, the casual usage of meaningless buzzwords, and the cacophony of overstated claims of effectiveness make navigating the competitive landscape and choosing a solution treacherous. Moreover, as technology budgets across much of the industry are flat or declining, investment decisions are high-stakes with little room for error. Consequently, while there has never been more need to act boldly, confusion is breeding apprehension and reluctance.

Select an online learning solution based on long-term needs

Demands for and expectations of online learning continue to expand and evolve. There is a desperate need to categorize solutions as a way to identify the best match with institutional strategies and to drive a more attractive ROI. As with any complex problem, no easy or single answer exists, but instructional best practice and the evolution of online learning offer some useful guidance on the potential path ahead and how to classify solutions.

Online learning takes a winding road, not the interstate

Although the media might lead one to believe that online learning is adopted unilaterally across higher education, reality tells a different story. Institutions vary widely in their level and type of adoption of online learning. This diversity is entirely appropriate given the breadth of existing institutional missions and academic content areas.

Nevertheless, history suggests there are more commonalities than differences. As social media and consumer technologies have crept into higher education, institutions have begun to see online learning as potentially extending the "learning event," particularly in peer-to-peer and mobile situations. In addition, within a single institution, all of these "waves" can exist concurrently. Online learning has more in common with country back roads than modern freeways.

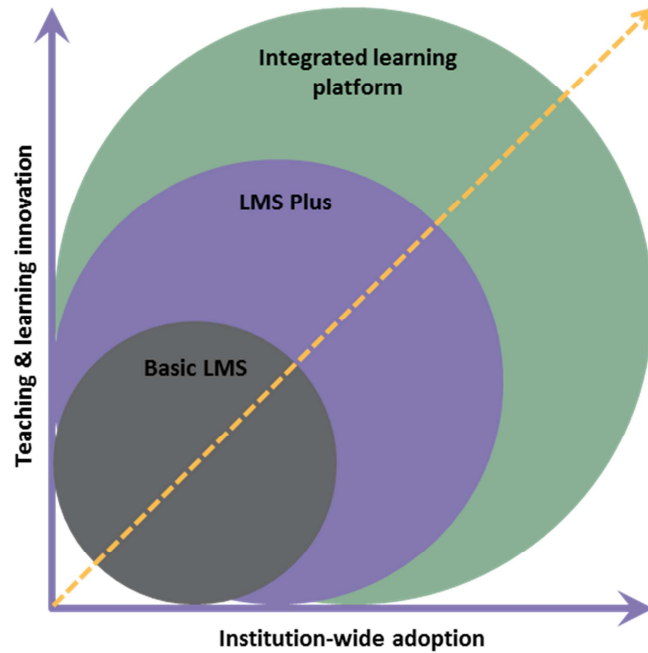
The next phase of online learning, however, will be something altogether new, where institutions leverage technology to build a far more dynamic and powerful experience. Yet because institutions will come to this stage from different places, putting together the right technology for the next generation while supporting legacy operations may seem daunting.

A technology path exists, but it is not widely understood

There are generally three types of solutions to support online learning, even though sales rhetoric might obscure this fact. The confusion, to some degree, is because the categories are subsets of

each other rather than mutually exclusive. At the same time, this "nesting" offers colleges and universities more flexibility to evolve their online learning programs according to their unique circumstances while supporting legacy and next-generation approaches simultaneously.

The path to next-generation online learning



Source: Ovum

The three solution types vary considerably in their ability to support innovative teaching and learning and institution-wide adoption. It is important to remember that more innovative online instruction – higher levels of inclusion, individualization, and proactive intervention – often has less pervasive adoption, as it lacks the right tools and support to scale. In the next section, Ovum will consider the business case for the following solution types:

- Basic LMS
- LMS Plus
- Integrated learning platform or ILP.

Use a rubric to understand solution differences and prioritize needs

	Y/N	Basic LMS	LMS Plus	Integrated learning platform (ILP)
Critical functionality		Basic course management and learner collaboration tools	Integrations with 3rd-party providers to round out basic functionality	Native tools for course management and learner collaboration, including video and document viewers
Content availability		Course content available online only, within the LMS	Course content also available via mobile device/app	Content extended via e-textbook platform
Delivery		Cloud service, continuous delivery – depends on solution		
Mobile		No mobile applications	Designed for mobile and also provides task-specific apps	Adds offline capability for access in low/no-bandwidth areas
Accessibility and usability		Basic Level Accessibility	Gold Level Accessibility	Recurring Gold Level Accessibility and Award Distinction
Extensibility		No APIs	APIs available for individual, institutional, and partner use	Extensive partner network supports integrations utilizing APIs
Curriculum management		Course-level content collections	Learning object repository allowing for content re-use	Open learning repository with course materials and third-party content
Integration		Closed		Open ecosystem and APIs
Reporting		Basic assessment and grading	Basic data can be exported	
Alerts		Notifications and alerts must be sent manually by the instructor	Pre-defined events trigger automatic notifications/alerts	Additional custom alerts based on performance- or activity-based events
Monitoring user activity		Basic access and grade monitoring	Limited information in report format (no visualizations)	Realtime data visualizations showing objective attainment, course/content access, performance, and participation
Monitoring classroom dynamics		No built-in monitoring tools	Visual attendance tools	Realtime visualization using Seating Chart including visual attendance and participation tracking
Predicting student performance		None	Course predictions based on pre-defined criteria	Ensemble model based on previous offerings of a course for more accurate predictions
Longitudinal data collection		None	Exportable for storage outside the LMS	Data warehouse for long-term data storage, allowing institutions to see trends over time
Customization		Consistent look and feel with limited customization options	Limited branding capabilities; users may customize email notifications	Complete branding control via flexible navigation, banners, widgets, etc.; user-selected language, font, and accessibility options
Personalized teaching		Pre-defined course structure and progression	Limited opportunities to customize course structure, content visibility	Instructors can customize content, look/feel, and visibility of course components
Personalized learning		One-size-fits-all progression through a course	Differing due dates or special access for individual students	Allows student choice and flexible pathways enabling a unique experience based on individual student preferences
ePortfolio		No learner-controlled space	Learner spaces to collect and share learning artifacts within and external to a course	Full-featured ePortfolio toolkit to create, share, and assess portfolio artifacts within an institution and via social networks; includes ongoing access after graduation to support lifelong learning
Adaptive learning		No adaptation	Integration with 3rd-party content or adaptive engine providers for pre-defined paths based on performance	Course adaptations available via release conditions or adaptive engines and initiated by instructor (planned learning paths), student (choice), or based on performance

Source: Ovum

Basic LMS offers simplicity but not a long-term plan

The first solution category is Basic LMS. Although some might define these as first-generation or legacy solutions, Ovum believes that the capacity to support only more isolated online initiatives and the limited ability to promote innovation or support pervasive adoption are the hallmarks of Basic LMS. These solutions do not include functionality for student engagement regardless of location or unique needs, nor do they support proactive interventions or empower faculty and students to personalize their experience in meaningful ways. The appeal of Basic LMS solutions, regardless of these deficiencies, is their simplicity, making uptake easier for faculty and students.

Growing out of LMS Plus is real possibility

Broadly considered a more modern and enterprise-grade approach, LMS Plus is the second solution category. LMS Plus enables inclusiveness with functionality such as mobility and special-needs support, but often the approach is designed for discrete services or functions, meaning that any required changes will likely mean adding new functionality or partners. Similarly, reporting is included but highly defined, limiting flexibility and precluding the use of more sophisticated predictive analytics and early warning systems using multiple data sources. The fundamental benefit of LMS Plus is that it aligns well to current usage patterns and expectations for online learning. Unfortunately, this also means that many institutions will outgrow these solutions, requiring new investment.

ILP increases flexibility and reduces the likelihood of a future switch

The integrated learning platform (ILP) evolved from Basic LMS or LMS Plus systems. ILP providers have made significant investments future-proofing their platforms to deliver considerable long-term flexibility. Openness, extensibility, and the coherent integration of functionality to drive higher-quality learning experiences characterize ILP, which is inherently tied to managing and improving performance outcomes. Analytics and reporting empower a more dynamic learning environment where content and pedagogy change according to a learner's specific circumstances. Furthermore, faculty, students, and staff can configure the solution to meet their own preferences and needs, increasing relevance and ultimately engagement.

To be certain, ILP is powerful technology and some capabilities may be beyond the current requirements of many institutions. Ovum, however, argues that given the growing need to differentiate on quality of the teaching and learning experience, most institutions will want and require these expanded capabilities and flexibility. Moreover, having a solution that grows with an institution's changing needs is particularly attractive given budgetary constraints.

Realizing long-term LMS value starts with flexibility and agility

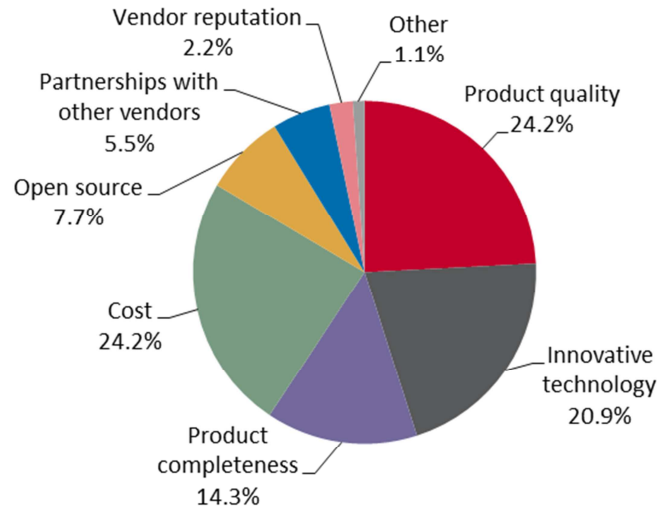
As discussed throughout this piece, the future for higher education will be difficult, requiring new approaches and ideas. A key value of ILP is its inherent flexibility and agility. Institutions can start small with their online learning programs, from either an enrollment or an innovation perspective, and then expand without fear of outgrowing their solution. This is especially important because the adoption curve is likely to be steeper and more transformative than history would suggest.

At some level, higher education understands the potential of integrated learning systems. Ovum's ICT Enterprise Insights Survey found that nearly 60% of respondents prioritized future-proofing (product quality, product innovation, and product completeness) when selecting an LMS vendor while fewer than 25% chose cost. Choosing an LMS primarily on cost is shortsighted, especially in

an environment where solution requirements are changing in rapid and unpredictable ways – although initially an ILP may cost more, ultimately it promises a far greater ROI.

LMS vendor selection criteria

LMS vendor selection criteria (Australia, UK, and US)



Source: Ovum ICT Enterprise Insights, 2013

Diverse perspectives will improve the evaluation process

Because an ILP delivers value to a broader array of stakeholders than traditional LMS (Basic or Plus) solutions, Ovum advises institutions to include ILPs more actively in the solution selection process. Without question, faculty members are at the heart of this process because successful adoption is, to a large degree, under their control.

Administrators have often taken a hands-off approach to online learning decisions, considering them to be exclusively in the academic computing domain. However, a true ILP brings powerful tools to evaluate program effectiveness and support retention efforts, blurring the line between academic and administrative computing and making the investment relevant to a broader range of personnel.

Student engagement is critical to academic performance. Including students' perspectives in solution selection increases the likelihood that they will perceive an ILP as a powerful learning resource rather than just a required element for course completion.

In the end, by leveraging a diverse set of perspectives and stakeholders when evaluating online learning solutions, the college or university puts teaching and learning more directly in the center of an institution-wide focus, which helps to build support for and capacity to deliver a higher-quality and more differentiated academic experience.

RECOMMENDATIONS

Recommendations for institutions

The road ahead for higher education will present many challenges. However, institutions willing to make long-term investments in the right tools and strategy to deliver a higher-quality and more engaging online learning experience are likely to realize considerable benefits. Ovum recommends the following actions in order to get started on this journey.

Avoid fads and prepare for long-term trends

In an industry awash with change, it is difficult to discriminate between fads that will come and go within a few semesters and trends that fundamentally change how institutions deliver academic services. Consequently, institutions must make choices and investments that increase their flexibility and agility, thereby improving their ability to innovate. From a technology perspective, this translates into leveraging platforms that are open and extensible rather than supporting collections of disconnected point solutions that are unlikely to deliver as much value as an integrated learning platform.

Look for a coherent and long-term vision for online learning

Higher education is not a process industry where identical items are manufactured on a large scale. Instead, it is a visionary one where a diverse array of participants co-creates knowledge through teaching, learning, and research. Providers of educational technology solutions must also have a vision that guides the creation of their own products and services. Institutions should partner with vendors that have a high level of inspired thought leadership for online learning to help ensure that the college or university can continue to evolve its programs and differentiate on academic services.

Consider each vendor's execution track record

As the higher education industry continues to evolve rapidly, institutions will increasingly rely on vendors to deliver enhancements more frequently and invest in future-proofing their solutions. It is, therefore, essential for colleges and universities to consider carefully the execution track record of any provider of online learning solutions. Does the vendor deliver against the timelines published in product roadmaps? Are new clients able to implement their solutions according to plan? If using a cloud-based solution, what is the performance record? All of these questions should be asked routinely of vendors, their reference accounts, and peer institutions. While every vendor makes mistakes, a history of failing to deliver upgrades, unduly difficult implementations, and solution downtime should raise a caution flag in any selection process.

APPENDIX

Methodology

This report is based on a mix of primary and secondary research sources. The author drew on interviews and engagements with vendors, enterprises, and educational institutions that Ovum conducts on a continual basis as well as results from Ovum's annual ICT Enterprise Insights survey of over 6,500 ICT decision makers globally.

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We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help you. For more information about Ovum's consulting capabilities, please contact us directly at consulting@ovum.com.

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