

Learn Fast. Go Fast.

by Greg Priest, President & CEO, SmartForce, The e-Learning Company

e-Business rules.

"However much hype you've heard about the web--the best thing since sliced bread or the printing press or sex or fire--whatever you've heard is simply not enough to describe what's going on."

Bob Metcalfe, inventor of Ethernet

"Upstarts with a T1 line and buckets of cash are humbling companies that once seemed impregnable...."
Business Week

"In the five years since the World Wide Web made the Internet usable by mere mortals, everything we thought we know about business seems questionable."
Ibid

"Established businesses already labor under the burden of a set of assumptions that no longer hold; they must begin experimenting lest someone free of this burden gets there first."

Today's business operates in a real-time world where innovation rules, competitors appear from all corners, knowledge provides more leverage than capital, and the old rules no longer apply.

Zealous corporations are busy building out the web...networking the world...accelerating processor speed...stuffing unimaginable bandwidth into fiber...creating incredibly powerful software...buying into common standards...and generally building the technological infrastructure to make e-Business feasible.

Already, corporate Goliaths are falling to upstart David's. At the other end of the scale, Goliaths are joining forces to create global behemoths previously unimaginable. Long-term planning has shrunk from five years to two. You seize opportunity when you can or history passes you by.

Nonetheless, we haven't seen anything yet. Convergence and the acceleration of just about everything have only just begun. New business models are sprouting up like mushrooms after a rainstorm. e-Business, impossible without the infrastructure of the net, is replacing e-Commerce.

e-Commerce involves harnessing the power of the Internet to streamline a traditional business, e.g. Amazon as e-commerce bookshop, Beyond.com as e-commerce software store. e-Commerce "paves the cow paths."

e-Businesses implement business models that would

*Christopher Meyer,
Business Innovation,
Ernst & Young Center
for Business Innovation*

*"The Internet is not only
creating a new industry
in itself but changing
the competitive
landscape of every
industry in the world,"
says Ben Rosen.*

*"The thing that has
constrained us for the
last four years has
always been people
bandwidth," says
Amazon CEO Jeffrey P.
Bezos. "Just having
enough smart, hard-
working, talented,
passionate people to
execute against our
vision."*

*"Capital is accessible,
and smart strategies
can simply be copied,"
says Ed Michaels, a
McKinsey & Co.
director. "The half-life of
technology is growing
shorter all the time. For
many companies today,
talented people are the
prime source of
competitive
advantage."*

have been impossible without today's Internet infrastructure, e.g. eBay, Priceline.com, Freemarkets.com.

e-Business is inevitable. It will change the rules of competition forever. e-Business pioneers are rethinking their business models, questioning all past practices. They are focusing on core competencies and outsourcing everything else. They are empowering their people to respond to customers in real time. But their leaders worry that this is not enough.

When I chat with fellow executives, conversation often turns to what keeps each of us up at night. I'm not alone in wondering, "If prospering in this new world is so confusing to the leaders of our industries, how on earth are our people going to keep up?"

Knowledge is the currency of the Internet economy.

In e-Business, the constraint to innovation and success boils down to one factor of production: people. Companies in the forefront are discovering that staffing is the biggest drag on e-business progress. Technical talent and the ability to innovate are in short supply. The soft stuff is the hard stuff.

Competing successfully in e-Business requires teams of inspired workers who are mentally equipped to make sound decisions on the fly...to initiate and innovate relentlessly...to execute on good ideas in a snap. The people you put on the front line with customers don't have time to run every idea up the management flagpole. You must equip them with the resources they need to do it right in real time.

Skilled people are tough to find and expensive to recruit, and the situation is only getting worse. At some point, you have to grow your own and nurture their skills. You must invest to keep them at the top of their game, or they atrophy in a matter of months. You help them grow in

Business Week, *The Search for the Young and Gifted*, October 4, 1999

"Internet-Age companies rely on the initiative and smarts of individual employees to foster decisions that are closer to the customer and therefore more responsive to the market. The ultimate goal, says CEO Jorma Ollila of Finland's telecom giant Nokia, is 'flexibility, an open mind, and transparency of organization.'"

Ibid

"...as Dell Computer Corp. Vice-President Theresa Garza puts it, people bring 'hum.' Not the whirling white noise emanating from your computer, but the very tangible sense of fully engaged people, channeling unbounded energy into their work. 'You know it as soon as you enter a building,' says Garza. 'It's people who have momentum, who are working hard, and who are excited to be here.'"

Ibid

"Pausing for self-congratulation provides a window of opportunity for a competitor."

their careers, both to make them more valuable and to reduce costly dissatisfaction and turnover.

Traditional approaches to training the corporate workforce are time-consuming and excruciatingly slow. Old style trickle-down training with its one-style-fits-all approach simply cannot keep the Internet pace. Our customers began confronting us with these concerns.

Customers told us...

For the last decade, we've been the leading IT training company. We have more courseware, more learners, and more experience than anyone else in the field. Most importantly, we have far and away the most Fortune 1000 customers. As befits this customer-centric era, we began asked how we might help them meet the challenges of e-Business.

Our customers' executives told us:

*"Our people must master the skills and knowledge to do their jobs exceptionally well. They must stay abreast of change and ahead of the competition. If we could give them a **smart pill** to get them there, we'd open an in-house pharmacy and shut down the training department."*

"Help us accelerate knowledge-sharing, teamwork, and innovation across our entire organization."

"Help us get out of the training business. Training is not our core competency."

CIOs told us:

"We need an enterprise solution to learning. A robust, scalable, standards-based foundation we can grow with."

"I have enough headaches already. Give me something easy to use, a one-stop shop to administer and track all training – instructor-led or mentored-assisted or courseware or community-based, yours or ours or your competitor's. At the top end, I want one system, not fifty."

Alan Cohen & John M. Jordan in Business Innovation

"The unprecedented flexibility the Net provides to tap resources outside the company is forcing many to rethink their very raison d'etre. What are we better at than anybody else? If we aren't the best at shipping, won't a rival who uses the best shipper gain an edge over us?"

Business Week, *ibid*

"Many managers have just about had it with what they think of as the training scam. They are tired of having their people taken away from their jobs to attend 'training,' only to have them return without any more useful skills than when they left."

Training guru Robert Mager

"The web generation takes for granted that global ubiquity is free, that customers will tell them what's on their mind, that the attention of people can be packaged and sold, that diverse information can be linked together, that a capability can be embedded in software and acquired by someone with whom there can be a valuable exchange, that the

Managers of training said:

"Internet time sets the pace here. Old-style training can't keep up. Sometimes it takes longer to develop product knowledge training than it took to develop the product itself. Help us deliver learning opportunities, both in-house and vendor-supplied, in real time."

"Learners are my internal customers. Help me put them in charge of their own learning. They have individual needs. Who am I to dictate what's best for each individual? I don't even have the time to keep up with what's available these days, much less prescribe it, schedule it, evaluate it, measure it, and project what we're going to need next. Give me an integrated, customer-focused approach."

"Management holds me accountable for our investments in learning. I need a simple way to assess and communicate a snapshot of where we are, the readiness of our teams to take on specific projects, and the return we're receiving on our investment in learning."

Learners told us ...

When we asked new hires what's important about learning, they told us:

"Cut to the chase. How fast can I get this over with and get back to work?"

"Show me what I need to learn to do my job and advance my career. I have to learn how to get things done here and how to maintain my management and technical skills."

"Help me understand 'what I don't know I don't know.'"

"Answers. I need answers. Can you put me in touch with people who've already solved the sort of problems I'm confronting?"

The seasoned professionals said:

*speed of learning
what's happening in the
market is more
important than keeping
competitors from
learning the same thing
simultaneously. . .”
Christopher Meyer, op
cit*

“I don't do three-day workshops. They aren't worth the time they take. If I were to leave my desk for three days, I'd fall so far behind I might never catch up.”

“Don't waste my time covering stuff I already know.”

“Be flexible. My only free time is when I'm on an airplane, away on a trip, or after hours at home. That's not going to change.”

We've learned a lot about how people learn since you and I went to school. Experience and cognitive science teach us that adults learn better when they:

- Know what's in it for them and deem it relevant
- Have mastered the prerequisites
- Understand what's expected
- Connect with other people
- Are challenged to make choices
- Feel safe about showing what they do and do not know
- Control the pace, navigation, and delivery of learning
- Can choose learning experiences that match their learning style
- Receive information in small packets
- Receive frequent progress reports
- Learn things close to the time they need them
- Receive encouragement from coaches or mentors
- Receive positive reinforcement for small victories
- Vary the style of delivery (say, discussion followed by a simulation)

"e-Learning delivers accountability, accessibility, and opportunity. It allows people and organizations to keep up with changes in the global economy that now occur on Internet time."--Cisco Systems

The Internet puts the customer in charge. It's easy for customers to find today's best bargains, information once jealously guarded up and down the supply chain. "For many companies, customer ignorance was a profit center," says Gary Hamel

e-Learning is the only answer.

Looking at everything that our customers were asking for and what we knew about learning best practices, we concluded that the traditional, piecemeal approach to learning is broken beyond repair. No amount of band-aids and bailing wire can fix it.

e-Business needs an e-Business approach to learning itself, something we call **e-Learning**. e-Learning is to traditional training as e-business is to the five-and-dime. e-Learning puts the learner in the center of the equation instead of the trainer.

Our blueprint for e-Learning calls for:

- Open, enterprise-wide solution, scalable from single user to global enterprise
- Single solution to simplify training administration, provide accountability, and boost effectiveness.
- Simple customization enabling companies to make it their own
- Coverage of technical, business, and interpersonal skills
- Personalized learning maps and individualized learning
- Everything from technical certification to subject area competency
- Content as available and current as the Internet

In fact, by our definition, e-Learning must satisfactorily address **every one of the customer needs and learning practices** I described above. *Every single one.*

Characteristics of e-Learning

e-Learning is dynamic. Today's content, in real time, not old news or "shelfware." On-line experts, best sources, quick-and-dirty approaches for emergencies.

e-Learning operates in real time. You get what you need, when you need it.

e-Learning is collaborative. Because people learn from one another, e-Learning connects learners with experts, colleagues, and professional peers, both in and outside your organization.

e-Learning is individual. Every e-learner selects activities from a personal menu of learning opportunities most relevant to her background, job, and career at that very moment. e-Learning is comprehensive.

e-Learning provides learning events from many sources, enabling the e-learner to select a favored format or learning method or training provider.

e-Learning enables the enterprise. e-Learning builds enterprise learning communities whose members forge

The future is now.

Last year, our company committed to becoming **the e-Learning company**. Tens of millions of dollars and hundreds of person-years later, we have created the first true e-Learning architecture.

Our e-Learning solution, SmartForce.com, is fully operational today. Our beta customers alone constitute the largest learning community on the planet. Our German-language community is coming on stream and will soon be followed by communities in additional languages. Our mentors assist learners 24/7. The majority of our courseware is now web-deliverable in DHTML or Java. The

code has been written, the applications torture-tested. SmartForce.com can incorporate virtually any learning experience. It feeds results to ERP and other reporting systems.



Reading about e-Learning cannot convey what happens when all aspects are working in concert. You reach a tipping point where a collection of learning bites, assessment results, live databases, channels to other people, and striking images unite to create a single, focused, interactive learning experience on the desktop. Learners enter a state of intense concentration, high performance, and controlled excitement, the “flow experience,” that brings feelings of pleasure, power, and accomplishment.

Without enthusiastic, skilled people operating in peak form, you cannot succeed in e-Business. e-Learning is the infrastructure to help you grow them. We expect it to radically improve productivity, fuel innovation, reduce administrative overhead, inspire employees, accelerate the internal flow of intellectual capital, and build competitive advantage.

What do *you* think? Take a free SmartCourse, converse with a mentor, join a community, and experience e-Learning. Invite your friends. It's on us.

Come to www.SmartForce.com. Thousands of us are waiting for you, and time's not standing still.