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E-Learning's Third Phase

by Steve Kolowich

Though Blackboard's critics have worried the company might monopolize the market for e-learning tools, competition continues to surface -- notably from companies that once were more focused on the administrative side of campus computing.

SunGard Higher Education is today announcing plans to integrate Epsilen, a learning-based social networking platform, into its learning-management system. The partnership will give SunGard clients access to Epsilen's collaboration and e-portfolio tools -- as well as 158 years' worth of digital archives of *The New York Times*, whose parent company owns the majority share of Epsilen.

When professors are building a course, said Felice Nudelman, executive director of education at the *Times*, they will be able to use keywords to locate relevant *Times* content on particular topics and events, and integrate the material into their classes. Students, meanwhile, will be able to manage and share their Epsilen e-portfolios through the SunGard portal. While the combination of services doesn't equal everything Blackboard offers, given that Blackboard's services go beyond classroom experience, it represents a significant addition of content and online communities to the SunGard product for courses.

Today's announcement comes several weeks after the information-management company Datatel said it plans to collaborate with Moodlerooms -- part of the open-source learning-management provider Moodle -- to create teaching and learning tools for colleges. Earlier this year, the Norwegian learning-management company It's Learning took aim at the U.S. market by opening up an office in Boston and touting its cost-benefit ratio as superior to those of both Moodle and Blackboard.

For both SunGard and Datatel, the products being promoted now, in the build-up to the annual gathering of campus technology leaders at Educause, could represent a challenge to Blackboard, and appear to reflect a desire to expand their role with higher ed clients.

This activity in the e-learning market comes at a time when many colleges may be open to experimentation in how they provide services. Results from a recent Campus Computing Project survey of online program administrators suggest that plenty of colleges are amenable to suitors: Nearly half of respondents said they are reviewing their learning-management system strategies, and more than a quarter are planning on switching to a new system within two years.

Meanwhile, data from other Campus Computing Project surveys indicate that Blackboard has seen its market share fall from 80 percent following its acquisition of WebCT in 2005 to 56 percent last year.

Michael Chasen, the president of Blackboard, said in an interview Monday that while Moodlerooms and Epsilen might offer some tools in common with Blackboard, neither offers the same suite of e-learning features, and so neither announcement represents a direct threat. "I don't think that [the] Datatel and SunGard [moves] are meant to be at the expense of any other LMS that's out there," Chasen said. He said that increasing enrollments -- particularly in online education -- and other

factors have expanded the market for e-learning software, and noted that Blackboard itself has continued to experience “exponential” yearly growth.

Still, as e-learning becomes more integrated into teaching on college campuses, many who earlier might have opted for the big-name brand by default are now open to alternatives.

Curtis White, vice president of information technology at Ashland University, in Ohio, said that professors there have taken an increased interest in the college’s e-learning resources. Ashland is a Blackboard client because the university signed with Angel, a competitor Blackboard bought out in May. Now, the university is considering other options for when its contract expires.

“Open source is becoming the common lingo of the faculty, and they’re interested in getting involved in some of these products,” White said. “Their colleagues at other campuses have adopted pilot programs with open-source apps, and these folks are talking and saying if we want to try this, will you support us on a pilot? And the answer is always Yes.”

Kenneth C. Green, director of the Campus Computing Project, said partnerships between information-management providers, or ERPs, and companies that offer e-learning software (broadly defined -- i.e., both Blackboard and more limited platforms such as Epsilen) represent the beginning of a “third phase” of strategic alliances in higher education technology.

“The first phase was faculty saying, ‘How do I get this stuff on the Web if I don’t know HTML?’” Green said. The second phase involved adding features that let students interact with their professors and each other in that space. The third phase, he explained, will involve figuring out how to extract value from all those transactions.

Prior to learning management systems, he explained, colleges could only measure student engagement via periodic evaluations and other post-facto assessment tools. Now, to varying degrees, students’ interactions with course material, their peers, and their instructors are logged in real time. Alliances between data management and e-learning providers could enable colleges to achieve what the Datatel marketing director Peter Abzug called “a 360-degree view of a student, from the administrative end all the way to academic end.”

Green said being able to refer to these real-time profiles of student engagement could allow colleges to administer “targeted and thoughtful interventions” in cases where engagement was less than it could be -- either at an individual or systematic level.

White, of Ashland, predicted that these changes will be significant. “I think the LMS market is in a lot of flux,” he said, adding: “I’ll tell you, this time next year we’ll be going through a very comprehensive evaluation of LMS platforms, and Blackboard will be only one of a number that we’ll look very closely at.”