Extended enterprise: Winning through collaborative advantage

How totara open technology meets the needs of a diverse network of stakeholders both inside and outside the organization

Think outside the box

The definition of 'organization' has changed. It is no longer defined just as a rigid, hierarchical structure of employees. The ways in which we organize and work together are now more fluid, intertwined and porous. Now the gig economy and the ease of working remotely across borders means we are becoming more loosely associated.

In 2018, it was **reported**[1] that of Alphabet Google's 170,000 workers, 50% were full time employees (FTEs) and the other half were temps, vendors and contractors (TVCs). Many modern organizations have grown rapidly by taking advantage of this new flexibility - Uber and Postmates arguably could not exist without it. Other sectors, such as fast food and retail brands have built networks of partnerships, franchises and other relationships to accessnew markets quickly while balancing business risks and rewards.

1:    bloomberg.com/news/articles/2018-07-25/inside-google-sshadow-workforce

At its heart, technology plays a powerful role in how we experience these new structures. Learning and orientating people around shared objectives, skills and behaviors is more strategically important than ever before. Learning is now a critical tool for engaging with stakeholders that sit outside the normal confines of the organization itself. Contractors, resellers, partners and even customers themselves all need orientation to build trust, confidence and advocacy in order to achieve a successful, large-scale coordinated effort.

This guide will explore the ways your organization can think beyond its traditional boundaries. You are no longer one entity, but an extended enterprise with many actors to consider, all of whom need to learn and perform as one. And if you are already operating an extended enterprise learning service, and are not one of the lucky 13% of organizations that consider their extended enterprise training to be 'highly effective', then read on - you'll certainly pick up some tips on how to make some improvements.
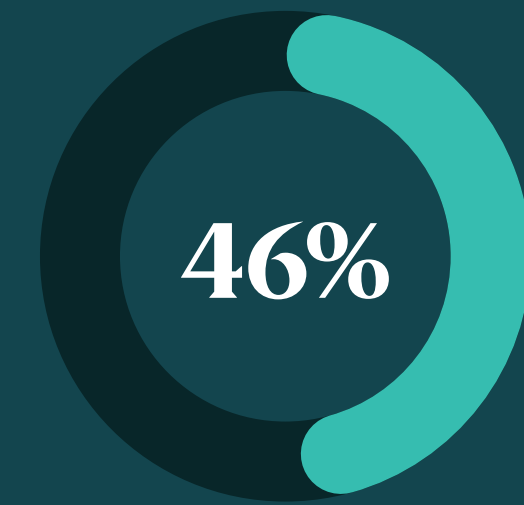
46% of learning is delivered to employees

29% to remote and distributed employees
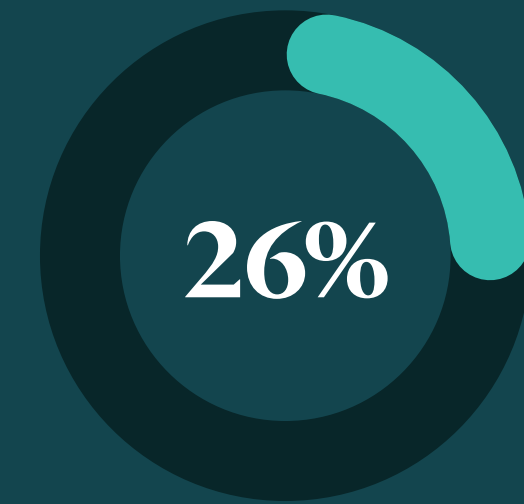
26% to non-employees

What is an exteneded enterprise?

In business/economic terms an extended enterprise is traditionally defined as a loosely coupled, self-organizing network of firms that combine their economic output to provide products and services offerings to the market. However, with the relative ease and simplification of setting up and managing commercial activity, this definition of a 'firm' can be extended further to include individual freelancers, contractors and even customers.

As organizations become increasingly porous, there is a growing recognition that training provision and engagement needs to move away from largely **mandated** programs, towards more persuasive, **voluntary** learning experiences.

John Leh[2], an industry analyst and expert on extended enterprise learning uses this definition:

"**Extended enterprise refers to training content or performance support sold or delivered at no additional cost to non-employee audiences.**

This includes sales channel partners, retailers, distributors, franchisees, contractors and customers."

2:   talentlearning.com

Leh describes several different scenarios where this can take place:

1. Customer education programs;

2. Channel partner learning programs for resellers, wholesalers, partners, value added resellers, distributors or franchisees;

3. Professional or trade association member learning programs;

4. Continuing education or professional certification and accreditation programs;

5. Federal, state or local public outreach learning programs;

6. The provision of training or other instructional content to individuals or other companies (though usually not for free).

The business benefits

Defining and supporting your extended enterprise ecosystem can bring significant benefits to your organization. These benefits include improved profitability, efficiency, quality assurance and customer advocacy. With all stakeholders operating to common standards of service provision, production and delivery and speaking with a unified brand voice, then your market presence will become demonstrably amplified.

Achieving this requires a learning and performance support solution that makes it easy for individuals to complete training to common standards, and to keep aligned and up to date with new developments in work practices, products and services offered. This could also include regulatory obligations, which may differ depending on region and jurisdiction.

According to **Brandon Hall**[3], the top five objectives of an extended enterprise learning initiative are:

Increased awareness of products/services

60%

Reduced training costs

58%

Improved customer relations

55%

Reduced training travel time

54%

Meeting compliance requirements

52%

3:    Brandon Hall Extended Enterprise 2017

Extended enterprise learning scenarios

Let's have a closer look at some of the different ways an extended enterprise can be served.

Channel learning programs

Many organizations rely on a network of third-party vendors based in regions across the world to resell, service and support their products. This requires a deep understanding of the product, the expectations around customer service and the brand experience.

Astonishingly, many don't bother, resulting in quite different customer experiences with the same product or service as you move around the world. As of 2017, 79% of **organizations**[4] never deliver learning to their franchisees or manufacturers, and 74% never deliver learning to suppliers. This suggests a huge missed opportunity to reduce business risks and to optimize scale and growth for your organization. Trade engagement, as it is known, is increasingly important, both in business-to-business and business-to-consumer environments.

Of those who do offer some sort of learning provision, 80% use face-to-face sessions, 65% use self-service online course modules and 64% use virtual classrooms. While face-to-face training undoubtedly costly, there is often immense value in directly engaging with resellers and partners to strengthen relationships and share insights that may not readily be fed back using other channels. On the other hand, this may be a hangover from a failure to shift cultural expectations and trust to better use virtual tools more confidently and openly. As social media demonstrates, customers are **very** ready to share their complaints out in the open, so having similar social tools for your extended enterprise to fearlessly share concerns, but also ideas for improvement and success stories, is a great way to build a common sense of unity around your brand.

4:    Brandon Hall Extended Enterprise 2017

B/S/H/

B/S/H/ is the largest manufacturer of home appliances in Europe, including well-known brands such as Neff, Bosch and Siemens. **B/S/H/** operates through **thousands of outlets across the UK and Ireland channels** including electrical retailer stores, kitchen studios and merchant outlets; the size of customer organisations varies hugely **from small independent retailers to large national chains.** All of these customers are supported by a network of account managers and a centralised training team.

With over 6,000 reseller user accounts spanning across 1,000 + customer organisations and 4,000+ locations the B/S/H/ Academy has become an exemplar **'extended enterprise site**. There has been more than **44,000 course enrolments and 500+ resource entrie**s within their feature library, demonstrating the on-mass adoption of the platform.

"We know that the greater product and brand knowledge our customers have the better the buying experience for our end consumer. Our challenge was how to reach customers that are not able to make the journey to our showrooms for face-to-face training and then during lockdown we saw a significant rise in our Virtual Classroom numbers which opened up a willingness to engage in digital training.

It was time for us to get digitally fit for the future and the decision was made to invest in a new training portal. The aim was to drive engagement and understanding of our products via a flexible training approach for the UK and Ireland and across all of our sales channels. Partnering with Cortexa has enabled us to do just this so now no matter the type or size of business or the time our trade partners have to allocate to training, there is something for everyone."

Nicola Griffin, Retail Channel Training & Development Manager

5:     https://cortexa.co.uk/project/bsh/

Channel education programs

Customers have unprecedented access to information and opinion. This can be useful but can also be confusing and even misleading, particularly as we enter an algorithmically driven age of **fake news and product reviews**[7]. This has radically changed the way companies find, win and hold customers loyal to their products and services. Rather than being 'sold to', customer advocacy is better built through offering useful and engaging support. For more complex products and services this requires offering quick access to learning materials that customers can use to troubleshoot and guide themselves to get the full value from their investment.

AirBnB, for example, offers **resources for hosts**[8] that guide those offering their

property for rent on the platform in the best ways to manage their listings, how to welcome guests, and how to navigate issues such as bias and discrimination. AirBnB have been successful in creating a community around their hosts and end users that transcends the normal buyer–seller dynamic.

Wella, the haircare and styling product company, is another international organization that offers a **comprehensive education program**[9] for stylists and individuals to achieve the best possible results.

Manufacturers of complex products can also offer learning to help train employees within their customer organizations in their safe and optimal use. **JLG Industries**[10] is a designer and manufacturer of lift and access equipment.

Their JLG University provides training on

service, safety and parts to operators and service technicians providing them with the skills they need to properly operate and service lift equipment. By providing a range of certifications, JLG can track completion and adherence to all required safety standards, and ensure customers receive the full value of their investment in JLG products.

Going forward, all organizations in all sectors will benefit from offering guidance, support and education to their customers.

7:   edition.cnn.com/2019/04/16/tech/amazon-tech-fake-reviews-trnd/index.html
8:   airbnb.co.uk/resources/hosting-homes
9:   education.wella.com/index.php
10: totara.com/articles/jlg-industries-extended-enterprise-totara-learn-solution-provides-comprehensive-training

totara
Community

At Totara, we practice what we preach through our Totara-powered customer education service, the Totara Community[11]. This is a free and open community that connects thousands of learning professionals around the world who have a shared interest in the Totara learning platform as well as developing good practice in all aspects of learning and development, particularly the application of learning technology. It also provides tailored services to the Totara Partner network and as such is also a channel learning program that can accredit and certify the expertise of staff, with the aim of sustaining a higher level and consistency of service across the board.

Public outreach learning programs

Central government and local authorities are recognizing the power of offering online education and training to provide support to vulnerable groups, enforce adherence to regulation and explain policy. As we now all turn to the internet first for all forms of information, there is a growing risk for the public to be misled by fake news, or become confused in the general profusion of noise and competing voices. Governments can use outreach programs to provide official, trusted sources of guidance.

For example, in Australia, **Be Connected**[12] is a government initiative committed to increasing the confidence, skills and online safety of older Australians. Be Connected aims to empower everyone to use the internet and everyday technology to thrive in our increasingly digital world. The ability to offer both open access as well as progress tracking and achievements to a wide audience uses learning activities as a simple way to engage and build confidence amongst a community that may find technology daunting, particularly as many public and private services are moving towards exclusively digital forms of communication, removing more costly (and comparatively timeconsuming) offline options.

Builders Merchants Federation[13] (BMF) is the only trade association representing merchants and suppliers in the UK and Ireland. Our vision is to enable members to build excellence in building materials supply. Total membership from 1 May 2023 stands at 880 merchant and supplier companies who together have combined sales of over £44bn and employ over 205,000 people in the building materials industry. BMF's 447 merchant members operate from over 5,800 branches across the UK and Ireland.

Professional/trade associations and CPD programs

Many associations and professional bodies offer their members access to continuous professional development and certification programs that recognize skills, knowledge and practical experience. These learning services often sit at the heart of the perceived value of membership and also the revenue streams these organizations rely on to sustain themselves.

ieso is a digital healthcare company with deep scientific and technical expertise that is primed to revolutionise mental health. As pioneers in digital solutions that harness AI, ieso are focused on developing new digital products that provide clinical-grade mental healthcare at massive scale. ieso's insights from their globally-unique dataset have already improved thousands of lives.

11: https://totara.community
12: https://beconnected.esafety.gov.au/index.php
13: https://cortexa.co.uk/project/the-builders-merchant-federation-bmf/
14: https://cortexa.co.uk/project/ieso/

The IPA's Foundation Certificate in Advertising has had over 14,000 people in over 87 countries pass the qualification, demonstrating its international reach. Other qualifications are also available, each with unique branding and highquality visual design (the audience is savvy advertisers working in creative agencies) to provide confidence and engagement in the quality of the learning experience offered. Recognition of achievement is important for all extended enterprise learning solutions, but it is particularly important to associations and continuous professional development. Digital badges are a great way to reward learners for completion of activities, courses and collaboration with others across the member community. If these are open badges (as available through the Totara platform), then individuals can take these to other online platforms as a portable record.

15:     https://www.totara.com/articles/an-introduction-to-open-badges
16:     https://login.totara.community/login/index.php

What are the open badges?

Open badges[15] are verifiable, digital awards, issued to individuals for learning or displaying skills or knowledge, or successfully undertaking a specific task or activity. Badges can also be issued for belonging to a certain group or sharing a common interest. They are also commonly known as digital credentials and are destined to play a more mainstream role in recognizing the skills and accomplishments of individuals both in education and the workplace. You can learn more about open badges in this **Academy course**[16] in the Totara Community.

Selling learning online

In all the earlier scenarios, extended enterprise solutions can be free or paid for by the learner depending on the organization's objectives. Recent research indicated that 40% of organizations charge extended learning parties for content, half of whom charge by course/content module. 30% of the organizations charging for access to their extended enterprise learning find that this covers over 50% of their annual learning technology/ LMS costs, therefore providing a subsidy for internal audience provision.

For external use, 43% of organizations use an ecommerce tool to charge for learning content. This is particularly important when this is the primary objective and the audience is diverse and open.

Hampshire County Council has already realised several key benefits from the implementation of Totara Learn and eCommerce, including easier course booking and enrolment, the ability to host eLearning built in-house and the ability for customer organisations to enrol their own teams with customised learning experiences.

Additionally, HCC has opened up learning to new audiences. The user-friendly setup makes it easy for individual learners to search and pay for courses and events, creating a new revenue stream for HCC.

Totara Learn plus the Cortexa eCommerce solution will enable HCC to expand their offering in the years to come, making this a truly futureproof solution for their learners.

17:    https://cortexa.co.uk/project/hampshire-county-council/

Features that support the extended enterprise

When looking for a learning platform to support an extended enterprise implementation, you should be mindful of particular features that will be beneficial, if not essential, to the success of your initiative.

In recent research[18], three key areas of functionality were highly desirable:

18:   Brandon Hall Extended Enterprise 2017

Reporting and analytics (87%)

It's crucial to have an easy way to build and share data on user progress and completion. Having the flexibility to customize reporting as you identify new needs is invaluable. Additionally, being able to deep-dive into patterns of use may reveal ways to improve the overall learning experience for your audience(s).

Mobile capabilities (72%)

As your audience is outside of your organization you have no control over the devices they may use to access your learning service. That's probably true of all internal employees too given the preference for using your own devices in the workplace. Either way, it's critical that learners can access the service from their smartphone. As long as the platform is designed to be fully responsive, together with the content that flows through it, then this will meet the majority of situations where connectivity is available. In those situations where connectivity cannot be guaranteed a native mobile app may be preferred together with the ability to consume learning content offline and track back progress when connectivity becomes available again.

Testing/assessment (68%)

For extended enterprise scenarios it is more than likely that certification and evidence of understanding and skills/knowledge acquisition will be a foundation of the learning service offer. So having the ability to quickly and easily build and deploy assessments, that are engaging to complete, will help drive usage and most importantly, encourage the application of the new skills/behaviors you wish to see.

There are other features that you should add to your requirements specification:

Audience automation and control

Being able to segment your user base so you can offer a localized experience will help drive adoption. Having dynamic control of audience membership can automate and tailor the learning experience for each learner while removing manual administrative overhead. In some cases there may be a need for deeper segmentation in the form of multi-tenancy where full separation of data, administration and branding is required.

Access restrictions

This allows different content to be made available to different learners within the same course. This means you can better manage multilingual course content, take into account different job roles and group/team needs.

Rewards and recognition

Digital credentials are growing in currency so offering the ability to acquire certifications and badges that recognize new skills and accomplishments is a critical success factor for most extended enterprise scenarios. Most importantly, the ability to have portable credentials/badges will offer more value to the learner.

Flexible branding/theming

You will not want to compromise the visual treatment of your brand, so you will need deep control over the look and feel of the solution. This is also important to your audience as this will give them confidence in the quality and professionalism of the learning service they are being offered. This is even more important if you are engaging directly with your customers. Your marketing team will be understandably demanding, so it's important your learning platform gives you full flexibility to go to market consistently and in line with all your other external communications.

Multitenancy

Totara's multitenancy feature allows you to segment and manage groups of users differently. For example, youmay want to devolve user management to managers within a partner organisation or give a franchise the ability to develop their training and performance management processes just for their staff. This is where Totara's many multitenancy features come in.Atenant is a contained space on a platform that has its segmented users, learning content such as courses, programs and certifications, performance activities such as appraisals and check-ins, workspaces and its dashboard and set audience(s).

Catalogue-based visibility

When creating an extended enterprise solution, you'll want to only show the training that applies to the right audience. With Totara, each course's visibility to other users can be set based on whether the user is a member of a particular

Audience. Enabling this setting will change the visibility of all courses, programs and certifications across the whole site, meaning that each group of users can get a very personalised experience of the platform.

360 feedback -beyond the organisation

A traditional organisation may ask employees to provide each other with 360 feedback, however, it may be that an organisation also wishes to gain 360 feedback from people who sit outside of the direct organisation. For example, asking suppliers for feedback can reveal how happy they are with the way they are treated. This may also highlight any work practices that adversely affect the quality of services an organisation provides or the cost of those services to a business.Anyone can use the system to provide feedback when they have some to share, and users can request feedback at specific times from different audiences.

Workspaces: igniting social learning

Workspaces are powerful collaborative areas where social and informal learning can flourish. Users from a particular audience or tenant can come together in collaborative workspaces to share ideas, add resources, collaborate with their peers and set up personalised notifications so that they'll never miss anything important happening within a space.

Playlists and resources

Stakeholders from an extended enterprise can build their own set of resources through a playlist to help them stay up to date with everything they need to know. A playlist of resources can be easily built by the central organisation and then shared across the platform for different audiences (only if it's in a workspace.) This could be helpful to share things like brand guidelines or marketing assets that external stakeholders can make use of when reselling.

Integration with other systems

Totara is a highly modular learning platform that uses a wide variety of plugins and advanced features to allow an organisation to scale up or down in line with their changing needs. If you're creating an extended enterprise solution then being able to develop your own plugins and integrate with other tools to meet any specific requirements you may have is a huge benefit –especially if you have niche requirements or need a new feature/function fast and can't wait for an update to be released.

What the future holds

As we recognized at the outset, the workplace and how organizations are structured is changing radically. The sizes, shapes and formality of the way we work together is more diverse than ever. You are already an extended enterprise whether you realize it or not, and you have stakeholders that you need to engage with more effectively, beyond your immediate employee base.

John Leh has some **thoughts to share**[19] on how the already rapidly growing use of extended enterprise learning systems will evolve in the future:

Business leaders have long considered employee development and compliance training essential to success. But the most innovative companies also recognize the power of learning programs that reach across the entire enterprise value chain – to customers, suppliers, channel partners and other external constituents. Now, extended enterprise initiatives are rapidly gaining momentum, as organizations seek new sources of competitive advantage in today's challenging marketplace. Why? Because extended enterprise learning creates measurable business value.

For example, consider customer education. Specialized customer learning platforms are a red-hot segment of the learning systems market, and its growth outlook remains stratospheric. That's because softwareas-a-service (SaaS) companies have proven the business case. Specifically, by investing in systems that accelerate customer onboarding and success with their products, SaaS companies are reducing churn rates while dramatically improving other performance metrics like customer retention, satisfaction and lifetime value (CTV/LTV). Those metrics translate directly into topline and bottom-line impact.

19:     https://talentedlearning.com

What's next for the future of extended enterprise learning solutions? Here are three key trends to watch:

John Leh
Talented Learning

1. Personalization

Delivering the right learning to the right person sounds simple. But external learners won't voluntarily engage with content unless it's hyper-relevant, timely, accessible and easy to consume. This is where extended enterprise systems are making tremendous progress. Many use algorithms that analyze numerous personal and contextual factors, so they can offer compelling learning experiences in the moment of need. Going forward, artificial intelligence and machine learning will play an expanded role in content personalization.
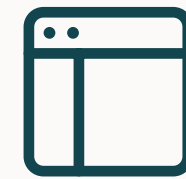
2. Integration

Historically, only large companies with hefty IT budgets could afford to develop pathways for data exchange between systems. But now, standardized application programming interfaces (APIs) make it affordable to automate data sharing and workflows across multiple systems. This means that even small and medium-sized businesses can easily build custom learning ecosystems based on 'best of breed' applications – LMS, CRM, PRM, SSO, marketing automation, ecommerce and much more.

3. Analytics

With so much data available from so many new sources, extended enterprise learning leaders face a fresh challenge – how to focus on the most useful data so they can make better business decisions. Fortunately, promising new data visualization tools are emerging to help organizations more easily track and understand learning metrics in combination with sales, customer support and other operational data. This makes is possible to measure value with greater precision and confidence. In the future, look for learning systems to incorporate other sophisticated analytics capabilities, including tools for predictive and prescriptive analysis.

Learning from others

Getting the best out of your learning technology investments is challenging. With open dialogue and collaboration we can make the experience far more effective and successful for all parties. One way is to learn from your peers.

The **Totara Community**[20] has a membership of thousands of learning professionals involved in buying and using learning technologies that include platforms, authoring tools, contentand other learning related products and services. It's open for all and could help shape how you build and sustain your extended enterprise learning service.

To learn more about how Totara Learn is supporting organizations with open technology solutions there is an extensive database of **customer stories**[21] from all sectors freely available for you to review.
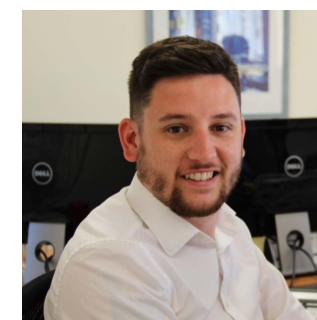
20: https://totara.community
21: https://www.totara.com/customer-stories

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