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MOOCs for Financial Sector Customers

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Abstract

MOOCs (Massive Open Online Courses) are emerging as one of the most notable learning methods in the contemporary world, and their use has been adopted by various institutions and organizations. This study examines how corporates of the financial sector may benefit from customer e-learning programs. Its objective is to show that MOOCs are beneficial to financial organizations which can increase their customer base and profitability by using the platform in order to offer training courses for their products and services. Using content analysis method to evaluate relevant textual materials, among the key benefits identified is the efficiency of operations and cost effectiveness. Flexibility and easy customer management are also among the key benefits that can be achieved from the MOOCs. However, some challenges have been associated with the use of MOOCs, especially in the areas of learning objectives, accessibility and selection of material and content.

1. Introduction

The ultimate goals of every organization are to gain new customers, retain existing and maximize profitability. To achieve this, every company is committed in to building trust relationships with their customers, assist them understand products or services and hence increase sales. The positive interaction between financial organizations and their customers is a key factor that determines success and one way of ensuring this involves customer training using MOOCs.

Massive Open Online Course (MOOC) is an online course that is designed to accommodate a large number of participants. Sandeen (2013) considers it as an interactive tool as the forums invite several participants who take part in the learning process. MOOCs bring a new way of thinking about corporate training of customers. It offers cost-effective methods of disseminating information to the participants in ways that may not have been possible under the traditional methods (Haavind & Sistek-Chandler, 2015).

Despite MOOCs becoming available since late 2000s, they gained popularity when such companies as LinkedIn used them as a learning method (Dellarocas & Van Alstyne, 2013). It is considered very effective method when compared to the traditional ways of offering courses that have been associated with huge costs (Daniel et al., 2015). As a result, this new method has since been welcomed by several other companies that now embrace it as their best learning tool.

For a significant number of professionals, using MOOCs as a tool for corporate learning is yet to be considered. The main advantage of this system is that it enables the users to select the desired learning opportunities and also move to new areas of development (Radford et al., 2014). The use of the MOOCs should be carefully considered and professionals must be convinced that whatever they are presenting to the audience is

relevant and worthy. The participants will appreciate when the lessons they are offered add value to their personal or even professional development (Haavind & Sistek-Chandler, 2015). The course can be assessed by its effectiveness in the financial sector and how it can benefit various users.

2. Special Characteristics of the Financial Sector

Financial products are complex compared with other categories (Burton, 2002). The complete understanding of banking products and other financial services require customers to know every consisting factor, and recognize the influence of these factors on one another. In order to meet their needs, financial customers have to choose from a number of products and analyze their features. Nonetheless, only a section of them are knowledgeable about financial products (Arvanitis, 2009). Thus, this would explain the high value of online learning programs for customers of the financial sector. Additionally, such online courses could provide them with relevant detailed information needed to positively relate with the financial institution (Salmon, 2013), hence enhancing their trust and loyalty.

Bodie (2009) notes that most financial institutions are focusing on educating the customers on investments. In today's world where many customers are seeking ways to identify the best investment methods, the financial institutions are becoming overwhelmed with the number of customers being served. Offering services such as the portfolio management services and mutual funds require special considerations. These are avenues whereby the people invest in bonds and stocks (Bodie, 2009).

Also, customers are currently becoming more interested in mutual funds. For them to identify the kind of people to join hands and invest together, they require sufficient knowledge. The financial institutions have been faced with the challenge of meeting the demands of all these customers as regards to their issues (Bodie, 2009). Mutual funds are governed by key regulations. Customers are advised to ensure that they have total understanding to the regulations that govern mutual funds in order to avoid losses that are often associated with lack of understanding of these regulations (Baumol et al., 1990). Before joining these initiatives, they require understanding of the key requirements and minimum investments as well as how to improve their investments so as to increase their profits. More emphasis is also made on the fees and charges. The fees and charges vary in different stages of investment and the customers should remain alerted (Baumol et al., 1990).

The stock market is another area where customers need excellent knowledge of all its aspects and are highly concerned with real time information before making any decisions (Rajan, 1994). The stock market is used for both investing and speculation. To earn profits in this sector, one needs regular access to information -especially on the market

dynamics- and strong ability to understand and evaluate them. The customers require regular updates in order to remain confident with their investments. The high number of existing together with the potential customers is becoming challenging to manage (Rajan, 1994). This implies that the institutions can benefit from the use of MOOCs as they will only need to update information to one system that is accessed by several clients, including existing and potential clients (Bogle, 2017). Customers are also seeking to invest in the special investment products that have complex features and are associated with huge risks, thus exposing customers to potential losses in the financial markets. Therefore, they would positively respond to related learning courses to help them make informed decisions. For instance, SIP (Systematic Investment Plan) can include many parties and the investment of an individual can be greatly affected when one or some of the other parties fail. The operation in these types of investments can be complicated, thus making it difficult for the customers to cope (Rohde & Lützkendorf, 2009). Nevertheless, they still have the interest to invest. As such, they will be easily drawn to the organization that offers help and training on how these aspects work while simplifying the operations in order for the customers to understand the various operations. With this in mind, the institutions establish training programs for their customers in order to ensure that their needs are met (Rohde & Lützkendorf, 2009).

3. Using MOOCs as an E-Learning Tool Among Corporates

When offering training via MOOCs, it is common to identify the courses that are already available in this form. Most organizations offer training through the prepackaged MOOCs, and this enhances their skills and other aspects of development. Users are able to learn new things in various aspects and also acquire new sets of capabilities, which are used to improve their efficiency (Gaebel, 2014).

A second available option is to build a new MOOC from scratch. This is considered a good choice for the content areas where most of the materials are delivered through learning and where the generic courses that have been developed or are not sufficient. While most organizations have an existing learning management system, it is interesting that many of these systems are not well equipped to handle the large volumes of MOOCs (Gaebel, 2014). Nevertheless, numerous platforms are available, thus making it easy for the organizations to own their own MOOC. MOOCs are user-friendly and offer several options for communications. They are also available on mobile devices. For the content areas requiring more interaction and collaborations, organizations may opt to integrate instructor-led training (ILT) and the MOOCs into a blended learning environment. Johnson (2013) suggests that this kind of integration offers direction that most institutions are using to access the highest benefits, while replacing the ILT with MOOCs takes advantage of the technological

innovations. The exact benefits of MOOCs are pedagogical. Even the institutions that are uncertain about the MOOCs still embrace their key pedagogical innovation, that is, the flipped classroom (Gaebel, 2014). In this case, the learners utilize videos lectures at home.

Another key feature of MOOCs that may be incorporated into a training program is working on collaborative documents in order to build a customers' knowledge base. Many MOOCs have wikis that can easily be edited by the learners thus enhancing their mode of interaction (Radford et al., 2014). Wikis allow users to contribute their own knowledge and also benefit from other people's knowledge in a timely fashion. The MOOCs continue to evolve every day with the instructors continuously experimenting with the new content delivery tactics. Improvement in technology enables for expansion of training benefits (Gaebel, 2014). Through the investigations and incorporation of various MOOC options, organizations have ensured that they are positioned well to adopt the new technologies and pedagogies in the future. After their emergence, MOOCs have been associated with well-financed institutions that are capable of spending huge amounts of money for this program that is considered as capital intensive in setting up (Radford et al., 2014). Since then, a range of innovative courses has emerged amidst debates as to whether this can work for the established businesses and corporations. Some critics consider MOOCs as ineffective programs for the corporates which may not necessarily meet their objectives (Gaebel, 2014). While this is a debatable subject, others have positive thoughts and have shared several success stories on the program.

MOOCs are already considered as one of the major training sources for most companies. This is because they can easily be customized to the company's specific goals, thus enabling it to address specific knowledge gaps (Jansen & Schuwer, 2015). As such, it becomes very easy to evaluate the special needs of the customers of the organization. Through the program, it becomes easier to address deficiencies by the use of cost-effective methods, thus improving the performance and profitability of businesses (Aparicio et al., 2014).

Corporate training through MOOCs may have major differentiations based on how various corporates approach it. But even those that view the technology as a negative factor may still find ways to make it have positive outcomes since it offers a wide range of services that may be very beneficial to corporates (Jansen & Schuwer, 2015).

The programs do not necessarily the corporate trainers to be available during the training, and this implies that the organization does not have to spend a lot of time on the training process and can address other issues associated with the progress of the organization (Aparicio et al., 2014).

4. Benefits of MOOCs

MOOCs are among the best ways that the corporates can reduce costs. Offering training enables cooperates to reduce the costs of operation, thus increasing their profit margins (Siragusa, 2006). For example, the MOOCs in most cases

require the learners to ensure they have the relevant infrastructure necessary to access the course. For the traditional methods of training, the trainers would organize and set up a physical location where the training takes place (Salmon, 2013). Proper infrastructural facilities such as the writing and teaching materials and the presentation screens are required, and in order to set up all these systems, the organization will incur significant costs. Space is also required, and the costs are proportionate to the number of people who are going to participate (Belleflamme & Jacqmin, 2015). In contrast, MOOCs only require an initial investment that involves preparing the learning materials and setting them up onto the system. After the initial setup, it becomes the role of the learner to look for the relevant information from the system where it is stored and the company can only come in to make a few adjustments where necessary (Clow, 2013). For instance, the changes of the estimation method of loan costs and installments or rates of exchange may be key financial aspects that require regular updates (Smirnova et al., 2011). Making these estimation methods available via an online course is easier compared to manually disseminating the information. The organization can opt to introduce the courses and teach their consumers on various ways to target growth and development. They acknowledge the fact that knowledge has positive outcomes on customers at their personal levels. The customers are also trained to use features that are necessary for their operations as they interact with the corporates. For instance, a company that deals with phone banking services may need to train their customers on how to use automated voice recognition services. This will enable customers to access the concept with little struggle, thus allowing the organization to continue serving them without necessarily having to interact with them. The traditional ways of offering courses have been associated with huge costs (Daniel et al., 2015).

MOOCs also offer a full spectrum of learning. Through them, corporates are able to offer a wide range of courses that cover all aspects of related interest to customers. For example, if users are interested in technology topics, such as web banking, mobile wallets, online trading or cyber security they can gain access though these courses at their convenient time (Daniel et al., 2015).

Another key benefit of the MOOCs is its flexibility. Learners will always access the online course at any desired time. There is no conflict among different classes that were observed in the previous learning methods (Baturay, 2015). As many people are getting busier every day, they want on demand learning experiences accessible at their own convenience. Some may prefer to take these courses whilst also doing other things, making it a great feature that distinguishes the MOOCs from the other methods (Daniel et al., 2015). Rather than wait to attend a physical training session, the program offers a real-time solution for many people who have been trying to restructure their schedules in order to accommodate different things that are considered important (Baturay, 2015).

Companies that offer training and accurate information are

likely to attract more new customers who are assured of all the help and information they require to carry out their businesses. Through the use of MOOCs, customers can follow trends within the markets keenly in order to make informed decisions. Yuan et al. (2014) believe that customers who understand the market dynamics can make these decisions, thus enabling them to get the best deals. For instance, in the Forex market, the users should have clear understanding of the environment and details of the market dynamics at all times as the trading is based on past and present market changes (Smirnova et al., 2011). Various companies have used MOOCs to increase the number of customers that are using their services, thus increasing their revenues (Yuan et al., 2014).

Corporates can improve their existing customer relations through the use of MOOCs. When the customers are provided with the relevant information which they need, they are aware of how they can relate with the organizations (Salmon, 2013). This will make them stay loyal to the organizations as they find it easy to use their services. The fact that this type of training is available to several customers at any time makes it easy for the company to interact with the customers. The company can now focus on responding to a few queries that customers find difficult or in cases where they need special help (Belleflamme & Jacqmin, 2015).

Through the use of MOOCs, it becomes very easy to manage various needs of customers. It is true that people learn at different paces. Considering the complexity of the financial courses, different learners will take different amount of time to understand the concepts (Clow, 2013). As such, using the traditional (f2f) training methods may not address their needs and some people may not fully understand the concepts being taught. MOOCs seal the gap and accommodate the slow learners as they can learn at their own pace (Fischer et al., 2014). This makes it easier for the interactions between the companies and the customers as all parties have a clear understanding of the operations of the organization. With clear understanding, there is usually minimum errors, considering that the management of the financial products' aspects require very high accuracy (Kalkat & Kidd, 2015).

For those companies who interact with the customers within the financial sector, MOOCs also offer a great marketing opportunity (Bogdan et al., 2017). Financial corporates such as banks and insurance companies get the opportunity to market their latest products to their customers, who have the ability to know and fully understand their characteristics and are able to safely make their choices regarding the services offered by the organizations (Bogdan et al., 2017).

MOOCs can be a good solution to the increasing number of customers since the institutions are unable to adequately address their rising numbers (Bogle, 2017). The key information can be offered to the clients in real time and can be accessed from anywhere. This can be enhanced by the use of MOOCs because the high number of customers cannot be managed through the traditional methods. Furthermore, the traditional methods may cause high inconveniences to the customers and lack of this information may limit the number of customers using the company's services (Bogle, 2017).

MOOCs have been identified as one of the best training programs that meet the customer requirements as they can serve many people anytime, anywhere. The organization only has to ensure that they have simplified their information and kept it highly organized so as to ensure the learners can easily interpret it for easier understanding. In other cases, many customers are reluctant to use products like credit cards for online shopping or e-banking and consider them as risky methods of managing finances as they are prone to hacking (Shah, 2009). While the organizations are keen on improving their security systems, the customers may not be aware of how secure they are with the online banking methods. Hence, customer training is necessary to educate them and instill confidence in them so as to encourage online banking (Shah, 2009). This, of course, is very hectic when done through the traditional methods of training millions of people on how to use banking services. MOOCs are better placed to address such issues that relate to mass education (Bogle, 2017).

5. Challenges Associated with MOOCs

While MOOCs appear to offer real time solutions, there are obstacles that cannot be easily addressed. García-Peñalvo et al. (2014) note that there are no clear criteria established to evaluate the effectiveness of the programs. The courses have great variations and do not adhere to a standardized or accepted structure. They do not have well-established learning objectives, thus making them very difficult to assess their effectiveness. Once the learning systems have been set up, the learners will set their own learning objectives that they will work towards attaining (García-Peñalvo et al., 2014). Some may not set any objectives, thus leading to negative learning outcomes. When the learners are left to participate in the MOOCs, low completion rates may be reported. Thousands of participants enroll in MOOCs even though a very small fraction of the participants completes the courses. Evidence available indicates that less than 10% of the enrolled complete the courses (García-Peñalvo et al., 2014). Therefore, this aspect is not indicative of the MOOC's success rate, as it does not consider the variety of the participant learning experiences. Some learners are able to gain the knowledge they are required and still fail to complete the course.

Another challenge that is yet to be addressed is the accessibility of the MOOCs (Sachdeva et al., 2015). The multimedia content must be taken into consideration as far as the MOOCs are concerned. Presentations, videos, social media discussions and the audio lectures should be accessible to all. For instance, the videos should include captioning for all learners to engage well with the content being delivered. Accessibility and the differing student information literacy skills pose major challenges in the process of evaluating the MOOCs (Chen et al., 2013). In the case where the participants cannot access or engage with the course and understand the content well, it is very difficult to evaluate the learning experience.

Finally, one of the challenge that may arise with the introduction of such programs could be the need to assign staff with expertise to offer the necessary support for the increasing number of customers.

6. Conclusion

Technological advances are making it easier for companies to effectively execute various operations that were traditionally tedious. One of these key operations in the financial sector involves customer training through e-learning to empower them so that they can make sound decisions regarding the complexities of financial products and enhance their loyalty to the organization. As such, MOOCs are considered a new method of learning that enables the corporate managers to improve their company's relations with existing and new customers and offer financial organizations the opportunity to efficiently promote products and services. MOOCs also provide solid benefits as timely, cost-effective learning method and can provide quality services to a wide range of customers at their own convenience. There are, however, challenges associated with these learning methods. Availability, completion rates and the criteria for evaluation are among the key issues that face this method of learning. But still, its popularity is growing exponentially every day.

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