



Stephen M. Smith

Integrated Content Solutions

An Interview with Stephen M. Smith,
President and Chief Executive Officer, Wiley

EDITORS' NOTE Stephen M. Smith became Wiley's President and CEO in May 2011. During his 20-plus years at Wiley, Smith has held positions of successive responsibility. He joined the company in 1992 as head of the Asia region based in Singapore and, over the next decade, assumed additional responsibilities for other international markets including Australia, the Middle East, Africa, Latin America, and Europe. In 1996, he joined the Executive Leadership Team as SVP, International Development and was appointed COO when he moved to the U.S. in 2009. Prior to joining Wiley, Smith spent 10 years at Prentice Hall/Simon & Schuster.

COMPANY BRIEF Wiley (*wiley.com*) was founded in 1807 and is a global provider of content and content-enabled workflow solutions in areas of scientific, technical, medical, and scholarly research; professional development; and education. Their core businesses produce scientific, technical, medical, and scholarly journals, reference works, books, database services, and advertising; professional books, subscription products, certification and training services, and online applications; and education content and services including integrated online teaching and learning resources for undergraduate and graduate students, and lifelong learners. With approximately 5,200 employees worldwide, Wiley has sales offices and operations in the United States, Canada, Europe, the Middle East, Africa, Asia, Australia, and Brazil. Its worldwide headquarters are in Hoboken, New Jersey.

How would you describe what Wiley offers?

We are a provider of high-quality curated content that is written by brand-name and thought-leading authors, to which we add further value through strong editorial processes, technology investments, marketing, sales, and distribution.

What are the most substantial challenges the company faces today?

The market for print books is changing rapidly as readers respond to the growing accessibility of digital content in different formats. Print textbook revenue is declining as students and teachers see

more value in digital products that enable better integration of multimedia content into the student experience.

There has also been heavy disruption in the demand for consumer nonfiction and reference publishing. Today, there are far fewer print bookstores for us to sell through, so shelf space is declining. Amazon and other online resellers have opened a new window for us, but the trajectory for print publishing has been downward for the past few years and we expect this will continue.

At the same time, e-books have experienced explosive growth in their first few years. We are hopeful this will counterbalance the decline in print sales over time.

How is your education business evolving?

Both our education business and professional development businesses were based on book publishing and, over the past three to five years, we have made significant investments to move those businesses from print and digital book publishing to much more integrated content solutions.

In the higher education arena, we have a suite of products broadly known as Wiley Plus, which takes e-book content and makes it part of an integrated learning solution through which students and teachers can interact. There is a feedback mechanism that allows for adaptation to different learning styles, which results in much better student outcomes.

We also recently acquired an educational services company called Deltak, which is in the online program management business. Universities are facing pressure to build their revenues and grow their student baseline response to ongoing funding constraints. They're looking to broaden their reach by developing online education programs. Deltak offers universities a turnkey solution for this.

Instead of just selling the content and curriculum design that used to be embodied in our textbooks, we're now working with universities to deliver an entire online degree program. We provide most of the up-front investment, starting with the student recruitment component. We work with faculty to develop course content, and we host and deliver that content to students and support them 24/7 to make sure they succeed. We're increasingly helping with career placement. In return for this, we share tuition fees with the university, which helps them generate new revenues with minimal risk or up-front investment.

How did your focus on professional development come about?

Five years ago, we were a broad-based professional and consumer publisher of print and digital

books. We published across a range of professional disciplines as well as some consumer areas.

We soon realized that for some types of content – like travel and cookbooks – consumers are increasingly able to access a huge amount of “good enough” content for free on the Web. Although business can be generated around high-quality content through consumer advertising, it didn't feel like the right place for Wiley to be.

In 2012, we sold the Frommer's Travel brand to Google and some of the cookery publishing to another publisher. We became focused on the needs of professionals in business finance, accounting, technology, and a range of professional practice categories such as psychology, architecture, and education, where we see an opportunity to provide additional services that extend the value of our content.

We're expanding into online training and have established some footholds in leadership training, as well as in workplace assessment instruments that enable a company to evaluate its talent base and intervene to enhance that talent.

How have you positioned your research business for future growth?

The cornerstone of our research business is the publication of primary research journal articles that become part of an online database of journal content. This is sold on a subscription basis to academic, government, and corporate libraries. In 1999, we launched Wiley InterScience, our first digital platform for journal publishing. Today, we have about 1,450 journals that are delivered through the Wiley Online Library and this business accounts for around \$100 million in revenue.

We also publish many books in the research area. We generate about \$200 million worth of research content in book form. This is also moving rapidly from print to digital in order to offer more effective use, better searchability, and better access to people affiliated with the institution.

What has kept you excited about leading Wiley?

Even as we grow and change, Wiley is a place where an individual can make a difference. Our strength and our future success are firmly rooted in the quality of the people we employ and in the long-term relationships we build with our stakeholders. Furthermore, our mission as a publisher in education, research, and professional practice is a noble one. As a provider of valuable content and services, we contribute to the advancement of knowledge and understanding around the world while making a meaningful difference to our customers and to society at large. ●