

WHITE PAPER

Selecting a Learning Management System

SELECTING A LEARNING MANAGEMENT SYSTEM

Selecting a learning management system (LMS) for your organization is no easy feat. Integration with talent management and performance management systems must be considered to ensure the greatest return on investment (ROI). Technology changes quickly, and an LMS becomes obsolete if it doesn't keep up with new delivery platforms, authoring tools, and tracking standards.

Further complicating the task are the many LMS vendors in the market today. Clients often come to Innovative Learning Group (ILG) to help them select an effective, efficient LMS solution. Making the right choice requires specific technical expertise and experience, as well as sound, objective judgment.

BEFORE YOU START

Before starting the selection process, consider engaging an independent consultant, such as ILG, with the necessary expertise and no "skin in the game." This consultant can help your organization select an LMS that will meet its strategic needs and provide the largest ROI.

The key to starting on the right path is making sure you consider the requirements of your entire organization. In our experience, opinions about the best system are often formed based on inadequate input and insufficient information. Creating a cross-functional team representing all stakeholders is an essential best practice. This team should provide input and guidance throughout the duration of the project, with a goal of identifying and ensuring that the LMS fulfills the specific requirements unique to your organization.

THE SELECTION PROCESS

Set realistic timing goals for your selection process. Typically, you will need at least three months to select a new LMS, followed by a three- to six-month implementation period. It may take longer if you are replacing an existing LMS or if you need to integrate the new LMS with other systems in your organization.

THE FOUR STEPS TO SELECTING AN LMS ARE:



1. Develop the Business Case

A business case helps to garner support and funding for the acquisition of a new LMS. This step is beneficial whether you're acquiring your first system or replacing an existing system.

The business case documents the strategic need for investing in a new LMS, including the expected return on that investment. It should explain the value in terms that will have the greatest resonance with executives who will make the decision to purchase the LMS.

To create the business case, identify and/or confirm:

- Stakeholders' LMS "must-haves" and selection criteria
- Business impact opportunities (i.e., how the LMS technology can make a strategic difference for the business)
- Benefits with estimations and assumptions
- Costs with estimations and assumptions
- Risks and how they will be mitigated
- Financial analyses that show how the organization will recoup its investment

ROI scenarios, using available financial and talent/learning data, are powerful additions to the business case. Select scenarios for which financial returns can be realistically calculated. After you have completed the business case, submit it to the decision-makers for their review and approval to proceed with the selection process.

2. Gather and Document Requirements

Gathering and thoroughly documenting your LMS requirements is necessary to select an LMS based on objective data. You cannot evaluate whether an LMS vendor meets your requirements if you cannot accurately state them.

A comprehensive LMS requirements specification, which could be up to 20 pages long, includes:

- Mandatory features
- User classes
- Operating environment
- Implementation constraints (i.e., rules and deadlines that may affect implementation)
- Documentation requirements (e.g., user manuals, job aids)
- Assumptions and dependencies
- Interface requirements
- Integration requirements for other systems (e.g., HRIS, CRM)
- Nonfunctional requirements (e.g., performance, backup, security, testing)

ILG has extensive experience developing LMS requirements specifications for many clients. We continually update and refine these client requirements, either in person or via surveys.



If you decide to gather requirements on your own, make sure to first complete an e-learning infrastructure audit; enlist help from your IT department to ensure you get accurate information. It is critical that identified requirements are aligned with the organization's existing or planned infrastructure capabilities. In our experience, an impartial third-party consultant can effectively facilitate these discussions. When conducting an audit of a company's e-learning infrastructure, ILG looks for items such as the types of devices used to access the training, the network connections, and the server(s) that will host training content and/or the LMS.

Once requirements are documented and approved by stakeholders, you can identify a short list of potential LMS vendors, with good reputations in the industry, who can fulfill all the requirements. This step is where an experienced LMS selection consultant can add a tremendous amount of value.

The short list usually includes three to six LMS vendors. ILG recommends inviting these vendors to give demonstrations of their capabilities before sending out a request for proposal (RFP). These demonstrations often help you to determine whether your requirements are accurate and complete, and they may also reduce the list of qualified vendors.

3. Develop a Request for Proposal (RFP)

A thorough RFP articulates your organization's specific needs, rather than including a generic set of specifications. The RFP should help guide the LMS vendors' responses to help you make an "apples to apples" comparison.

In addition to the comprehensive requirements specification, the RFP should include the following sections (with input from your procurement/purchasing department):

- Executive summary
- Response requirements
- Pricing instructions
- Proposal evaluation criteria
- Terms and conditions
- Project management requirements

4. Review Vendor Proposals and Make the Selection

After you send out the RFP, LMS vendors will usually ask questions. These queries may be very technical in nature (another area in which an experienced consultant can help), or they may be related to the procurement process. Most LMS vendors need four to five weeks to respond to an RFP. Based on the vendors' responses, you can invite two or three of the best qualified to deliver final presentations.

During these presentations, be sure to ask many questions about the LMS implementation process. Your goal is to determine whether the LMS providers can satisfy both your criteria and timing, or whether they will need to connect you with a third-party system integrator. You should also request references from clients similar in size and industry; some vendors may even be willing to give you references from clients who switched to a different LMS.



After the vendors have delivered their presentations and answered your questions, you should request access to sandbox (testing) environments so you can try out all the features of the proposed systems across learner, manager/supervisor, and administrator roles. This lets you test specific use cases of interest to you and provides much more information than can be collected during a two-hour presentation.

Finally, you should develop a recommendations report that summarizes the evaluation process, describes the pros and cons of each LMS vendor, and compares costs. The final selection can be made based on this report.

TIPS FOR THE LMS SELECTION PROCESS

- An impartial independent consultant can help your organization select an LMS that will meet its strategic needs and provide the maximum ROI.
- Creating a cross-functional team representing all stakeholders is an essential best practice. This team should provide input and guidance throughout the duration of the project with a goal of identifying and fulfilling the specific requirements unique to your organization.
- Typically, you will need at least three months to select a new LMS, followed by a three- to six-month implementation period.
- Documenting the business case for a new LMS is key to gaining executive support. An effective business case demonstrates the strategic need for investing in the LMS, including the expected return on that investment.

- Gathering and thoroughly documenting your requirements is necessary to select an LMS based on objective data. You cannot evaluate whether a potential LMS vendor meets your requirements if you cannot accurately state those requirements.
- It is critical that identified requirements are aligned with the organization's existing or planned infrastructure capabilities in a way that allows them to be fulfilled successfully.
- ILG recommends inviting shortlisted LMS vendors to give demonstrations before sending out a request for proposal (RFP). These demonstrations often help you to determine whether your requirements are accurate and complete.
- A good RFP articulates your organization's specific needs, rather than describing a generic set of specifications.
- Ask each potential LMS vendor for references from clients similar in size and industry. Some vendors may even be willing to give you references from clients who stopped using their LMS.
- Sandbox (testing) environments let you test specific use cases of interest to you, providing more information than can be collected during a presentation.
- Develop a recommendations report that summarizes the evaluation process, describes the pros and cons of each LMS vendor, and compares costs. The final selection can be made based on this report.



About Innovative Learning Group

A performance-first learning company, Innovative Learning Group, Inc. creates custom training and tools that help employees of Fortune 1000 companies do their jobs more effectively. Headquartered in Troy, Michigan, ILG is a privately held, certified Women's Business Enterprise founded in 2004 by CEO Lisa Toenniges.



1130 Coolidge Highway
Troy, Michigan 48084

248.544.1568
info@innovativeLG.com
www.innovativeLG.com