

# How To Select A Learning Management System

Follow Five Steps To Select The Best LMS For Your Company

by Claire Schooley  
with Christopher Andrews and Joseph Miller  
May 31, 2016

## Why Read This Report

Learning management systems (LMSes) are changing as new learning approaches emerge. Flexibility, scalability, and usability are major considerations in selection. Evaluate vendors on SaaS technologies that are consumerlike in ease of use with the capability to handle informal as well as formal content. In determining the best LMS for your business, application development and delivery (AD&D) pros should work with human resources (HR) and make sure all line-of-business units communicate their learning needs and are involved in the final product selection.

## Key Takeaways

**An LMS Manages Required Training And More**  
About 75% of all companies are using an LMS. Large companies are on their second or third LMS, while smaller companies are seeing the value, especially with a dispersed workforce. Beyond compliance training and assigned learning, companies use LMSes to manage the extended enterprise — the learning provided for channel partners, customers, and associations.

**Follow Five Steps To Create A Vendor Shortlist**  
Get LMS support by communicating the technology's value to business units. Find out what learning experiences already exist and what future learning is needed. Assemble a steering committee to guide the LMS selection process. Develop business requirements to use in evaluating vendor functionality. Have an online briefing session to narrow down potential vendors.

**Vendor Demonstrations Are A Crucial Part Of The Process**  
Face-to-face vendor demonstrations using company-created use-case scenarios enable company evaluators to compare vendors' LMS approaches and select the technology that best fits their needs. Companies should also evaluate the vendor support and implementation processes.

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## Work Toward An LMS With More Consumerlike Functionality

Forrester believes that the LMS market worth is approximately \$5 billion with about 75% of companies using an LMS, particularly large and enterprise companies.<sup>1</sup> We anticipate that growth will continue as small and medium-size businesses (SMBs) explore this technology, existing LMS users upgrade their systems, and the extended enterprise — a company's customers, channel partners, distributors, etc. — grows as a training market. These developments will happen because:

- **The new workforce demands new approaches to learning.** Learner needs are changing. "We have changed our learning programs to meet the working style of today's employees," commented a learning development leader in a large packaging company. Mobile learning, micro learning, user-generated content, pull rather than push learning, and social/informal learning are all demands on the corporate learning environment today.<sup>2</sup> Today's workers are on the go, and they need easy and fast access to learning at any time and at any location.
- **Companies upgrade to get user-friendly software-as-a-service (SaaS) solutions.** Early LMS adopters are moving from on-premises to SaaS solutions. They want the flexibility of SaaS, and they like the fact that they are always on the latest product version. Ease of use is a big factor, and companies want a product that their employees will use and even go to willingly to get learning proactively, rather than because it's a requirement. Over 95% of Forrester's LMS inquiries are about the functionality of SaaS solutions.
- **SMBs reap benefits from LMS technology.** Smaller and midsize companies operate in dispersed locations. With the digital technology explosion, learning is no longer just classroom-based. These companies need the same learning features, although on a smaller scale, that enterprise organizations demand. A cosmetic distributor said, "Even though we are small, we have employees working out of their homes in many locations who need information on our latest products. Video allows them to see the product in use and makes a real difference in their confidence and ability to sell."
- **Savvy companies exploit their extended enterprise ecosystem.** Customers, channel partners, distributors, affiliates, and associations are examples of the extended enterprise. Involving these external constituencies in learning experiences improves company relationships, enhances brand loyalty, and increases product and service sales.<sup>3</sup> Many vendors, like Meridian KS, Latitude Learning, and ViewCentral, are offering extended enterprise as their primary business product. Others, like Docebo, Litmos, and Saba Software, offer extended enterprise along with their other corporate learning solutions.
- **Companies want "inside and outside" use of LMS.** Typically employees use the LMS for compliance and other assigned training, and the administrator is the one who spends the most time in the LMS loading content, aggregating scores, pulling reports, etc. With new consumerlike functionality and search capability, LMS users can more easily find specific learning, have a social discussion with an expert, and even upload their own content around a topic. Vendors like SuccessFactors provide capabilities for user-generated content.<sup>4</sup>

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What It Means

## Notes & Resources

Forrester advises dozens of companies on the LMS selection process and often goes onsite for the vendor demonstrations. We also re-search and evaluate vendor products and continually talk to clients about vendor selections through inquiries.

## Related Research Documents

- The Future Of Learning Management Is Personalization
- Mobile In Enterprises Today — But Why Not For Learning?
- Update Your Learning Strategy Using Digital Tools

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## Prepare For A Comprehensive LMS Selection

In preparation for selecting a new LMS, make sure that business leaders understand what an LMS does and why the company needs one. Assess the learning that is already going on, and determine if any departments are using independent (rogue) applications. Assemble a steering committee to drive the selection effort, and create business requirements for LMS selection. Follow five steps to prepare for vendor selection (see Figure 1).

FIGURE 1 Steps In LMS Vendor Selection For Onsite Demos

Steps	Components
Step 1: Communicate features and value of the LMS.	<ul style="list-style-type: none"> <li>• Enable anytime learning</li> <li>• Provide consistent, scalable content</li> <li>• Manage all kinds of learning more effectively</li> <li>• Provide a compliance audit trail</li> </ul>
Step 2: Assess what you have and what you need.	<ul style="list-style-type: none"> <li>• Locate existing learning activities and technologies</li> <li>• Keep costs down by avoiding duplication</li> <li>• Determine the future learning needs that the LMS must support</li> </ul>
Step 3: Assemble a steering committee to drive LMS selection.	<ul style="list-style-type: none"> <li>• Understand the company's learning needs</li> <li>• Understand recent developments around LMS</li> <li>• Create a learning vision for the company</li> </ul>
Step 4: Determine the business requirements for the LMS.	<ul style="list-style-type: none"> <li>• Functional needs</li> <li>• Technical needs</li> <li>• Professional services needs</li> <li>• Ongoing support needs</li> </ul>
Step 5: Identify potential LMS providers.	<ul style="list-style-type: none"> <li>• Research the LMS market</li> <li>• Prepare an RFI</li> <li>• Schedule online briefings</li> </ul>

### Step 1: Communicate The Features And Value Of The LMS

If organizations have created custom training courses or acquired courses from third parties, they want to know how successful the training is in teaching new concepts and skills that employees apply in the work environment. The LMS is a software application that addresses the administration, documentation, delivery, learning assessment, tracking, and reporting of learning and professional development programs completed online. This learning takes the form of self-paced eLearning courses, virtual live classroom training, and the administrative components for face-to-face classroom instruction. In addition to these features, an LMS provides value by:

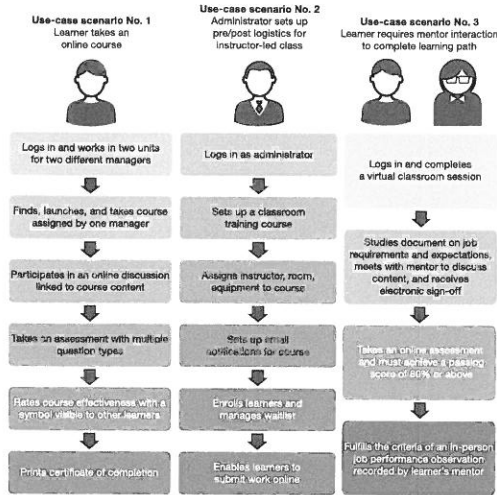
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- Facilitate a debrief that results in a ranking of vendors. At conclusion of demonstrations, give time for each evaluator to prepare an overall evaluation and rank each vendor. It's best to do this before any group discussion of vendors. A facilitated debrief session provides an opportunity for evaluators to discuss and advocate for vendors and determine a vendor ranking as a group. Reference checks and true pricing will follow the debrief as part of final vendor decision.

FIGURE 3 Use-Case Scenarios For Demonstration



What It Means

The Future Of The LMS Will Include Many Emerging Technologies

Companies will always need some kind of an LMS for compliance and regulatory needs, and we expect systems to become simpler and easier to use. Employees will voluntarily access the LMS because of its powerful search and tagged content that allow them to find just what they need for a micro-learning experience. In addition to compliance and professional courses, content will include learning games, videos, vetted user-generated content, and curated content from many sources outside of corporate eLearning. Algorithms and recommendation engines will use learner profiles and learner interests through usage to provide employees with new content. Learners will keep content relevant by rating the content they access and giving suggestions about what they would like to see. Not all content will be stored in the LMS. Rather, the LMS will point to content and make it accessible to users. Reports will be available for compliance and other required coursework as well as usage numbers and ratings for other less-formal content use. All these features will make the LMS a valued learning resource that will crowdsource reactions to existing content as well as send the most appropriate learning to employees as it becomes available. The rich variety of content will also meet the different learning styles of learners.

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Endnotes

- For more LMS vendor analysis, see the "The Forrester Wave™: Learning And Talent Development, Q1 2016" Forrester report.
- Learning leaders must update their learning strategy to meet the expectations of today's tech-savvy workers. See the "Update Your Learning Strategy Using Digital Tools" Forrester report.
- By involving external constituencies in learning experiences, AD&D leaders can strengthen relationships to the company, enhance the company brand, and potentially increase revenue streams. See the "The Super Disrupters: Channel Partners And Associations In Extended Enterprise Learning" Forrester report.
- QuickGuides in SuccessFactors Learning allow users to author step-by-step instructional material and contribute to existing content. Source: Eric Wood, "The New QuickGuides in SuccessFactors Learning," SAP Community Network, August 27, 2014 (<http://scn.sap.com/community/erp/htmlblog/2014/08/27/the-new-quickguides-in-successfactors-learning>).
- This report introduces a framework for managing change and an explanation of the learning delivery approaches that allow organizations to adopt change successfully. See the "Drive Continuous Improvement With Strong Change Management And Employee Training" Forrester report.
- Source: Chief Learning Officer (<http://www.clomedia.com/>).
- Source: Association for Talent Development (<https://www.td.org/Publications/Magazines/TD/>).
- Source: The eLearning Guild (<http://www.elearningguild.com/>).
- Detailed RFPs take a lot of effort by the company preparing the RFP and the vendors who must respond to it. Because vendors have a lot of the same features, checked boxes do not help the company differentiate among the vendors. Forrester recommends a shorter RFI and that the company put more effort and time into the onsite demonstrations. We recommend a four-phase vendor selection process, driven by business process professionals, that dispenses with the traditional RFP mechanism and focuses on proving the software's ability to support key business process scenarios and the flexibility to change the business process. See the "Flawless Your Approvals Vendor Selection Process To Fit Credit Deployment Models" Forrester report.



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# TOOL

## Transformative Open Online Learning

Mot ett lärsystem som stöder och utvecklar individens lärande utifrån dennes personliga förutsättningar och utveckling över tid.

*Visionen för arbetet är ett framtida system för lärande som utgår ifrån individens specifika förutsättningar för ett optimalt lärande.*

Historiskt utgår arbetet ifrån erfarenhet från distansutbildning och flexibelt lärande.

Konkret är utgångspunkten den globala utvecklingen av MOOC.

MOOC kan beskrivas som en basal form av utbildning, men i kontinuerlig utveckling där learning analytics ses som en konkret väg att utveckla och anpassa utbildningen, på kursnivå såväl som individnivå.

MOOCs kompletteras på många olika sätt på nätet såväl som i den fysiska världen och får allt mer karaktären av blended learning, lärande i personliga möten i kombination med digitalt baserade lärofunktioner.

MOOC kan utifrån en sådan utveckling migrera och bli en utgångspunkt även för lärande i den ordinarie skolan.

Föreslås därför att arbetet inriktas på utvecklingen av MOOCs mot individanpassade lösningar, stödda av learning analytics och i olika former av blended learning.