Choosing a Training/Learning Management System

KNOW BEST.

With the large number of vendors offering training or learning management software, making a purchase decision is tougher than ever. We are confident that as you move through your selection process you will see the value of working with an experienced vendor such as Oak Tree Systems.

Selecting a system to manage your training data is a complex process, and there are a huge number of factors to consider. Your satisfaction with a single system or vendor is often determined by conversations and discussions that occur before a purchase order is signed or a check written. The most satisfied customers usually have a clear understanding of what they expect a system to do, what a system is capable of doing, and how that system integrates into the overall learning strategy and business model.

Most LMS vendors will gladly provide you with a sample RFP or similar document. Rather than provide you with a biased specification or RFP document, Oak Tree Systems prepared this comprehensive guide to choosing a LMS. Our belief is that we are your training partner, and that our responsibility as your partner is to help you find the best system for your business.

For clients actively considering the adoption of TrainingForce, we do have a detailed technical information and planning tool available upon request. You won't see us trying to pass our own specification off as a guide to choosing a solution, though. It's how we do business – hard work, integrity, and respect.

You Know Training. Get to Know Us.

Although every training organization is unique, there are some basic steps you can utilize to help ensure you get the proper system in place to manage resources, communicate information, and deliver training. Before any selection process begins, try to gather a group of stakeholders - staff members, instructors, and students. Involve these stakeholders in your process where appropriate.

Understand Your Learning Strategy

Your solution should be a good bridge between your overall business model and the delivery of your content. The strategy should define how you will deliver educational programs to the people that need them to reach specific business goals.

As a learning organization, there should already be a clear learning strategy in place. As you begin the selection process for an LMS, the time is right to review the strategy. If no strategy has ever been defined, or is unclear - this is a good time to develop or clarify. The organization should always consider the target audience, their learning preferences, their locations, the resources that are available to them to attend learning programs, etc.

As you reach a comfort level with your learning strategy, correlate the strategy with your company's business goals. Many companies have mission or vision statements, values, with both short and long-term strategic plans. Your learning strategy should support the "bigger picture" for your company or organization. This is not a trivial task, and it can be a whole separate initiative in itself, so bear in mind the time invested in this step.

Document Your Requirements

Once you have clarified your strategy, identify what resources and technologies are needed to implement the strategy. Compile your requirements into a single document. Please note your internal requirements document is not the same as the requirements in a request for proposal (RFP) requirements. The specifics of an RFP document will be discussed shortly. Match a solution to your requirements.

> **One of the most common mistakes people make is trying to match your requirements to a specific system. Think of buying a system as one of the old children's toys – be sure you put a square peg (your data) into a square slot (the vendor's solution). Trying to force your data into a particular system based on a single factor can be time consuming, frustrating, and costly.**

The requirements document for a training management system will at a minimum include sections related to business, information technology, and system function. Use care when writing out your requirements. You can very easily get distracted by buzzwords or vendor-specific features. Write each requirement based around what you expect the product to actually do for you. Another common distraction is to specify things that fail to contribute to the learning strategy or business model.

One requirement you should consider carefully is whether you want to use a solution that is installed on your own internal server, or hosted by the vendor. There are many names for this type of hosted service including ASP (application service provider), SaaS (software as a service), or “cloud” provider. More information about hosting vs. installed is available here.

A training management system hosted by a vendor typically grants access to users and provides support for the system should problems arise. Modifications or customizations beyond what the application supports can be made to accommodate unique requirements. Compatibility to standards such as SCORM (Shareable Content Object Reference Model) and AICC (Aviation Industry CBT Committee) should be considered.

A second consideration which should be concurrent with the hosted-or-installed discussion is the type of pricing you will receive. Vendors offer a variety of models, and you should think carefully about what your requirements are in this area. Subscription-based models are prevalent. As part of your requirements, define the minimum and maximum length of time you wish to commit to.

Prioritize requirements based on whether an item is mission-critical or simply "nice to have". Depending on the number of requirements, you may even want to use a ranking scale to prioritize. Your stakeholders can be of use – once you identify the requirements, share the list with them. Let them assign priorities based on their own views and what they as stakeholders need the system to do. Once you have their feedback, add it into the requirements document.

Create and Validate A Budget

What is your budget to purchase a management solution? The price range for a learning management system varies widely. There are some basic things you should include in your budget to cover purchasing and implementing your training management solution:

- **Preparation & Research Expenses**
  Time and expenses associated with research, preparing the requirements, issuing a Request for Proposal, evaluating proposals and conducting subsequent meetings, and negotiating the final agreement with your selected vendor.
- **Purchase of a Solution**
  The actual price of the software or subscription. Some of the other items listed below may be included in a single actual invoice, but be sure you’ve accounted for all the costs associated with acquisition.
- **Customization**
  Include an amount in your budget to allow for customization to the software. Very few solutions are a perfect fit upon implementation. Although each vendor has different rates and methods for pricing customizations, including 10% of your budget amount for changes will give you a lot of flexibility once you put the solution in place.

- **Data Migration / Conversion**
  If you are transitioning from an existing system or planning to import paper /spreadsheet-based data into your system, be sure to include a budget item. Many vendors include simple conversion or migration as part of their service, but you should still include in your budget plan.
- **Training**
  Training stakeholders on the implementation of a new system is one of the most often overlooked costs. Almost every vendor will send a trainer or specialist to your site early in your implementation to train personnel and assist with implementation. Unfortunately, many clients insist "training isn't needed" and eliminate vendor-provided training from any quotation and purchase. Let's be clear: NOT INCLUDING VENDOR-PROVIDED TRAINING IN YOUR PURCHASE IS AMONG THE MOST EXPENSIVE MISTAKES YOU CAN MAKE. Yes, it is expensive, but the gain in your productivity and decrease in your learning curve far outweighs the cost of the training.

  > **Assume a vendor charges $5,000 for on-site training and a few support webinars for larger distribution. If training reduces the amount of time for staff members to get "up and running" with a solution by even as little as 25%, their productivity gains far exceed the cost of training. The vendor also gains insight into the company's business model and can be a much better training partner as well.**

- **Support & Maintenance**
  Ensure you include a specific amount for support and maintenance in your budget. If you are requiring an installed solution, be sure you include any future hardware or software upgrades that may be necessary in support of your solution. Also include an estimate for the labor of your internal information technology department. Hosted solutions offer many benefits in this area. Vendors may include support and upgrades for a period of time in the cost of your initial purchase. Support and maintenance costs vary widely by vendor.

Once you establish a budget, be sure you share it with other decision-makers in your organization.

Research Potential Vendors

After defining your requirements, begin your research. Identify vendors that provide specific features you determined were of a high priority. Look at non-sponsored research in addition to research on the web. Use multiple keywords when searching; there are a large number of vendors available to you. Identify business criteria important to you. You may want to consider:

- What is the vendor's company status - is their ownership stable?
- How long has the vendor been in business overall?
- How long has the vendor been in the training or learning management market?
- Does the vendor use 3rd-Party product components in the product offering?

- Does the vendor hire and retain their product development personnel, or outsource/contract development?

As you research potential vendors, match vendor-promoted features to your requirements document. Create a simple spreadsheet with your requirements as rows, and potential vendors as columns. Group features by your priority in rows. Use your research time wisely – if a vendor cannot meet requirements that are central to your organization, spend less time researching them.

Also remember that you are not basing your purchase decision on your research here – just a decision on which companies are best positioned to submit a proposal to you. Create a reasonable list of firms that you would like to request proposals from. Be sure to consider at least one firm from within your locality, state or region if at all possible.

Prepare a Request For Proposal (RFP)

Writing a Request for Proposal (RFP) or other type of quote document can be challenging. Many vendors offer specifications criteria or sample RFP documents. Use these resources wisely. The requirements document, as well as your research into your budget and potential vendors, should be combined as you craft your RFP.

An RFP should accurately reflect your needs in the following areas, at a minimum:

- Business needs (pricing, length of term, etc.)
- Technical / infrastructure requirements
- Product requirements
- Implementation timetable and performance benchmarks

Depending on your organization, you may have a purchasing department or procurement specialist available to help you. There are many resources on the web to help you write an RFP. When writing out individual requirements, be specific – you want the vendor to respond in detail. To sum up the purpose of the RFP – it establishes the expectations for both your organization and the vendor.

You should also include scenarios as part of the RFP, so the vendor can clearly explain how that scenario will be handled by the product. You should keep the window of opportunity - the time from issuance of your RFP until vendors must submit a proposal - short but reasonable. Most vendors can respond to an RFP within a short time frame. A short response time also gives the RFP issuer an indication as to how hard a company will work for the business and can be an indicator as to how they will perform in a business relationship.

As indicated above, a proposed project plan for implementation based on the requirements should be part of the vendor's submission. The plan must include timelines relative to the start and the end of the project, providing an estimate as to how long the vendor believes an implementation will take. The plan should also specify ownership and details for each task or step in the implementation process. Most vendors have a "road map" for implementation that can be easily adapted and included with proposals.

Review the Proposals

Be sure to document the date, time, and receiver of each RFP response. An acknowledgement e-mail to the vendor is acceptable practice, but use care in the wording to not create or imply acceptance of their proposal. Allow your stakeholder group to review the submissions. Establish an objective rating system focused on the things that are important to your strategy, requirements, and budget.

Stay focused on the requirements you established, not on marketing tools or features the vendors promote. Your organization, as the customer and user, is the sole arbiter of what is important. The review team should also keep an open mind; in almost every RFP process a review of the submitted proposals turns up one or more ideas or requirements that potentially should have been included in the RFP.

If a vendor RFP fails to meet even one of your critical requirements, don't be afraid to eliminate them from contention. Depending on other responses, it may be appropriate to keep a vendor in contention even though they are missing a core capability IF they present you with an acceptable alternative, or if they can fulfill your requirement through customization.

As responses are evaluated, consider their responses to your requirements when viewed as part of the project plan:

- High-priority requirements should be able to be met at the time of implementation.
- Medium-priority requirements may not be met during the initial implementation, but compliance and time frame should be part of the project plan.
- Low-priority requirements, or the "nice to have" features can be referenced more vaguely. Depending on the vendor's response in light of your strategy and requirements these lower-priority items can possibly be escalated in priority, or deleted altogether.

With virtually every vendor's submission, there will be gaps between your RFP and what the vendor specifies. These gaps are the reason every organization should include a customization line item in their planning budget. When a gap is identified, talk with the vendor about how the system adapts to such customizations or extensions. Customization refers to changeable parameters within the confines of the system as it exists when sold. Extensions refer to the ability for a vendor to integrate or interface with other systems, or add functions or features not found in the software.

One unique consideration as you evaluate submissions is the common question "build or buy". Even though an "off-the-shelf" system may not have every function or feature you deem critical, it is often cheaper to have the vendor customize or extend an existing product than develop a solution internally.

Also be sure you review the proposed implementation or project plan. Identify any steps or process issues that conflict with your training organization's methods.

If you fail to find a suitable vendor, review your requirements and repeat the process with a new vendor pool.

> **Narrow the submissions down to a "short list" of 3-4 vendors that meet your critical requirements, including budget. Spending more time exploring your needs with well-qualified vendors can be very helpful.**

Schedule Meetings and Demos

Once you've identified your "short list", develop a list of follow-up questions for each vendor. Schedule meetings between key personnel and the vendor; include others in a product demonstration if appropriate.

When you ask a vendor to conduct a demonstration:

- Prepare a list of questions related to specific features or processes that came up during the review of submitted RFPS. If any process or feature is unclear, ask for a demonstration.
- If you plan on using the vendor for online course delivery, provide them with a content sample and ask them to include it in their demonstration.
- Establish a "Top 10" list of your most common tasks and ask the vendor to demonstrate those tasks.
- Ask the vendor for access to a sample or demonstration site for a period of 5-7 days. Look at the processes used to perform your most common tasks and be sure the proposed solution supports your strategy and methods.
- Ask the vendor to record the demonstration and make the recording available to members of the review group.

The demonstration component of the selection process is crucial in determining how compatible or flexible their environment is. The demo is also important to make clear what part of the functionality is included out-of-box with minor configuration changes and what may requires customization. Be sure to question any part of the functionality or implementation that is not clearly understood. It is important that the vendor is able to explain functionality clearly and without ambiguity.

As you complete the meeting and demonstration process, narrow your short list down to the leading contenders. Involve your stakeholders in both an objective review (does it meet our requirements?) and a subjective review (do we like the vendor and the product?).

Make the Selection

After all the research and demonstrations, and probably more than a few conference calls or meetings, the training organization can make a selection. The purchase of a training management systems is a serious, long-term investment. Although it can be difficult to obtain total agreement, every stakeholder should feel that they have had a role in selecting the solution.

> **When every stakeholder has participated in the selection process, and feels that their opinion has been respected, it significantly eases the implementation process. The more people that feel that they have contributed to the system, the more people you will have championing the system when it is implemented.**

The training organization should also have a contingency plan. Unfortunately, cases do arise where a vendor or a product simply isn't a good fit for the organization. Throughout the implementation process, continue updating your contingency plans. Problems can be as simple as a particular feature not meeting a specific requirement, the implementation falling behind schedule, or a vendor issue.

> **Always have a backup plan, and a backup to the backup plan. There is no substitute for planning when implementing a training or learning management system.**

In Conclusion

This document provides an overview of one process you can use to select a solution to managing your training organization. In summary:

1. Understand your learning strategy.
2. Document your requirements.
3. Develop and validate a budget.
4. Research potential vendors.
5. Prepare a Request for Proposals.
6. Review the proposals.
7. Schedule meetings and demos.
8. Make the selection.

We hope you find this document useful as you research and evaluate learning management systems. Oak Tree Systems is the provider of TrainingForce, a training management system that is among the best in value and feature set. It is our belief that by providing you with useful, information, you will view us as more than just another software provider. It is our belief that we are your training partner.

For More Information on Training Management,
visit TrainingForce.Com.