

Ringling out the Old LMS

By Michael Laff

Learning management systems are not new to the workplace, but the old models are quickly being discarded or fine-tuned to meet the changing demands of an organization's training regimen.

In search of new ways to keep training data consistent, a number of businesses are opting to make substantial upgrades to their LMS either through purchase of a new product or upgrades to an existing system. Based upon a survey conducted by Expertus and Training-Outsourcing.com, the move to consolidate LMS data is picking up steam as organizations grow tired of having to retrieve data about training functions from multiple technology sources.

An overwhelming 75 percent of survey participants said they will conduct some kind of LMS consolidation within the next year. The survey included responses from 249 participants.

From the pace of change one might think that organizations were all hitting the market at once to purchase their first LMS. Analysts point to increased expectations about LMS functions and the need to seek a single source for all company training data as the main reasons to upgrade their systems.

Easily the most important factor behind LMS upgrades was the need to organize all learner data, which was cited by 77 percent of respondents. Depending on the size of the company, the integration of the new system or the upgrade could take as long as one year.

Ramesh Ramani, CEO of Expertus, says one reason behind the surge in short-term investment is the necessity of upgrades. He compared the LMS investment with the race to upgrade systems for Y2K. It was not important until the last moment. LMS is entering the next cycle in its usage.

"Strategic learning systems are not at the maturity level of other systems," Ramani says.

Frustration with vendors who sell the LMS without tailoring it to the needs of individual companies may be another factor driving consolidation and new purchases. Doug Harward, CEO of TrainingOutsourcing.com, says his company spent \$1 million annually on an LMS license only to be told that any additional data customized for his company would cost an extra \$100,000.

Large organizations often have multiple LMS programs in place because training demands are usually set by individual departments to meet their own compliance needs and may not be linked to the overall needs of the organization, according to Harward.

"Senior executives are much more astute about how much they are spending on training," Harward says. "In some cases they have to go to multiple sources to get data; the data from each source looks different, and they get frustrated."

Surprisingly, cost was not a primary factor motivating the change as only 40 percent cited that as an issue. Redundancy is a focus of concern. Twenty-five percent of organizations use more than one LMS and more than 10 percent of respondents used three or more LMS programs in their organization.

"It's not being driven by training organizations themselves," Harward says. "It's a top-down process by procurement and executives who want to reduce the number of vendors. They're asking, 'Why do we need three different vendors for an LMS?'"

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The BIG Number

40%

of companies plan to purchase and implement a new LMS.

>> Top Reasons for Consolidating Training Data:



Centralizing learner data	78%
Improving reporting	69%
Integrating content	64%
Integrating with other applications	62%
Reducing costs	40%

Source: Survey by Expertus and TrainingOutsourcing.com

