

From a pool of 82 LMS vendors, the project team reduced the list to three.



## Selecting an LMS: Preparation Pays Off

### Customer profile

A large, well-established global manufacturer with operations on five continents.

### Organizational challenge

The company needed both a fourth-generation Learning Management System and a successful selection process to make sure the right product was adopted. In twelve years, the company had progressed from a basic system that managed facilities and classes, to a mainframe LMS that added personnel records, to a company-built system that incorporated Web-based learning. Consensus reached another benchmark when stakeholders agreed that the LMS in use was too complex and customized to maintain, and lacked the functionality required to match its corporate vision. Participants also knew from experience that the company should not develop its own system again.

### Process & product requirements

Drawing across its strategic resources, the company created a twelve-member group at its headquarters to drive the needs assessment, vendor review and implementation. The needs assessment alone took 18 months, a fairly complicated process as the company sells its products through businesses it does not own. Circumstances also mandated cooperation between the company's corporate university, which houses the LMS, and decision makers in HR. In addition to the needs assessment, the group completed an IT development plan for gaining budget authorization and ROI justification.

Requirements for the next LMS eventually pointed to a single, off-the-shelf product that could:

- ease system maintenance, reduce operating costs and increase sophistication in records management;
- maintain existing functionalities while adding a robust module for managing tasks and competencies, all with an automatic link to the company's enterprise platform;
- transfer historical data—600,000 records—into the new system;
- track 24,000 people consisting of its own employees, over 700 dealers, and its suppliers.

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### Solution

Starting with a pool of 82 LMS vendors, the project team's criteria filtered the list to twelve candidates. Further refinement reduced the pool to three vendors who were then asked for detailed documentation and demonstrations. Evaluation templates with weighted scoring linked learning principles ("All training should be competency-based") with product features ("Ease of use"). Ultimately the company significantly advanced its functionalities by coupling the TEDS LMS with TEDS JobVision™, an advanced talent management module.

### Results

Implementation began immediately, with rollouts for two TEDS modules completed in six months. The team's hard-dollar financial estimates, which projected a 20 percent reduction in LMS operating costs and ROI in less than a year, were borne out. And even though the corporate university assumed responsibility for the new LMS, it reduced staff by 50 percent, a clear indicator of the administrative drag created by the previous system.

A less quantifiable but equally important result emerged on the manufacturing side, which had previously tracked separate records and run separate training programs in each of the company's twelve plants. Now the company can identify portable skills, move them quickly and match employee competencies with plant vacancies.

In retrospect, the meticulous planning and relentless focus of a fairly small team guaranteed consistency throughout a lengthy timeframe. The team's efforts generated not only a rich crop of LMS choices, but a realistic implementation schedule, predictable financial outcomes, and a product that met very stringent requirements.

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