

The Complete LMS Buyer's Guide



How to select a learning management system that will help drive your business forward

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Introduction

A solid learning management system (LMS) helps businesses streamline corporate training, thus driving business results. But choosing the right vendor may be a daunting process that takes a lot of time and effort.

The difficulty lies not only in the fact that there are tons of solutions in the market. You also have to consider a lot of aspects before you decide, including features, ease of use, costs, and your own business objectives.

In this eBook, we'll try to ease the stress of decision-making by offering a range of practical tips on how to choose an LMS. You can also leverage the free package of templates and checklists that downloaded together with this guide to make the process even easier. We hope all this will help you pick a solution that best suits your business needs and is aligned with your budget and priorities.

What Is an LMS?

An LMS is a platform for digital learning. Its key features can be found in the abbreviation.

L — Learning. This type of software is designed for convenient learning anytime and anywhere. Learners can access an in-house knowledge base, take assessments, and complete practical assignments.

M — Management. Unlike file sharing services, a learning platform is not just a heap of files. It enables admins to manage user data and enrollments in courses, organize content into comprehensive training programs, and control how learners progress in training.

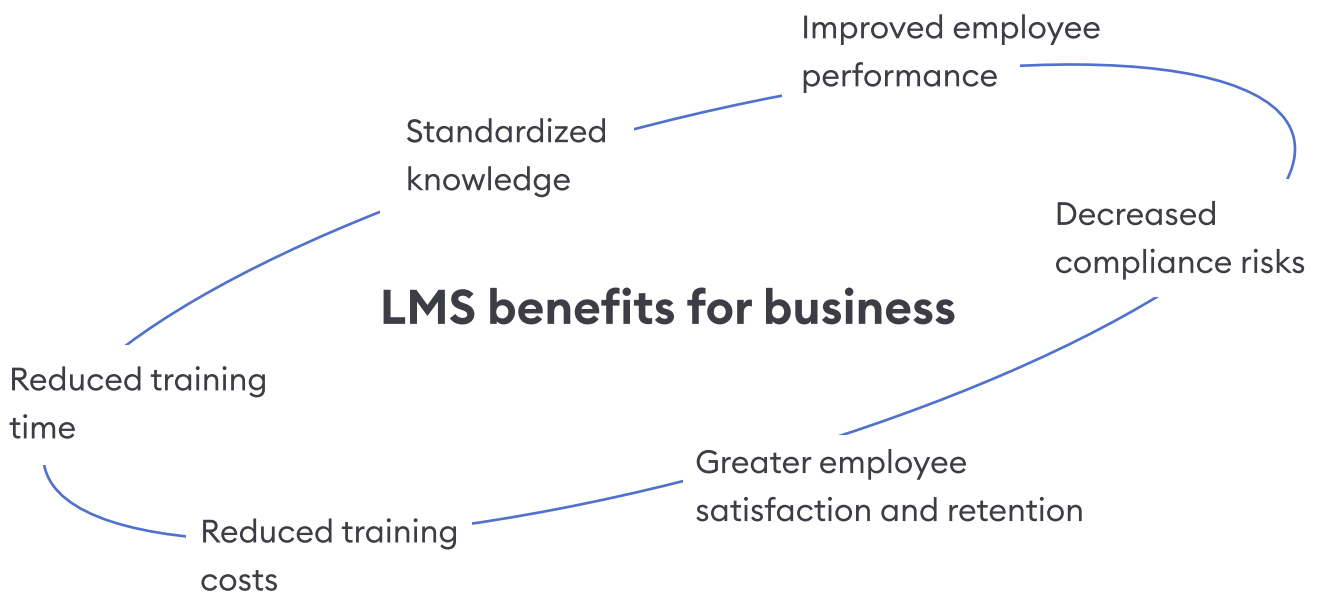
S — System. It's a computer system, to be precise, that processes various types of data and puts them in order. It collects statistics, runs reports, and automates grading, thus streamlining the entire training process.

Simply put, an LMS is your own online university, where you can upload, store, and create online courses and organize them into structured training programs, assign content to learners, and keep track of their progress and results.

This is the basic functionality all LMSs share, but each platform has its unique features that make it a better fit for specific needs.

Why Should You Care About an LMS?

An LMS can benefit your business in many ways. Coupled with a robust L&D strategy, it can have a great impact not just on your training results but also on your entire company, as we can see below.



Improved employee performance. With an LMS, you can onboard new hires faster and reduce their time to full productivity, as well as train and upskill your seasoned staff on an ongoing basis.

Decreased compliance risks. You can easily deliver compliance and safety training to adhere to OSHA, ISO, and other regulations. This will keep your workers safe and maintain your company free of legal violations.

Greater employee satisfaction and retention. By immersing employees in the corporate culture and offering them continuous learning, you drive their engagement and decrease your staff turnover rate.

Reduced training costs. With self-paced digital courses and virtual training sessions, there's no need to spend money on budget-draining expenses like instructors, venues, logistics planning, and travel.

Reduced training time. Employees don't have to be distracted from their work-related tasks to take a course. They can train anytime, anywhere, and even progress through learning programs on their mobile devices.

Standardized knowledge. By delivering training online, you can be sure that employees in different locations have access to the same information.

Common LMS Use Cases

There are over 800 LMS vendors in the market, ranging from higher education to those designed for specific industries, like healthcare or retail. We've geared this eBook toward businesses looking for a corporate LMS, so let's look at the common training scenarios that a corporate LMS supports:

1. Employee training

Employee training helps your staff get specific knowledge or skills to improve performance in their current roles. There are numerous types of employee training, each one suited for different situations:

New hire onboarding

Onboarding prepares new hires for their new job role and familiarizes them with the company culture, processes, procedures, and industry and role-specific knowledge. Delivering onboarding online creates a smoother, more flexible process that isn't restricted by location.

With an LMS, you can put most of your employee induction training on autopilot. You only need to create an onboarding program once and then assign it to all new hires.

Outcomes: A good induction training experience will smooth out the new hire adaptation process, increase their retention, and get them to full productivity faster.



**Streamline employee onboarding
with iSpring LMS**

[Learn more](#)

Compliance training

This kind of training covers industry-specific laws, regulations, and policies like health and safety, data protection, and more. This ensures that workers have the necessary knowledge to protect themselves, the customers, and the company's reputation.

Moving compliance training online guarantees that every employee can access training when needed. Moreover, LMS reporting provides HR teams with accurate training data in case of an audit or incident.

Outcomes: Quality compliance training will keep your workers safe and compliant with the regulations of governing bodies.



**Level up compliance training
with iSpring LMS**

[Learn more](#)

Product training

Product learning can also be a part of onboarding for new hires or can be accessible to any employee who needs to refresh their product knowledge. It is especially important for retail businesses as it arms sales professionals and other staff with the information they need to sell products and provide better customer service.

Delivering product training online makes it quicker and easier to roll out and update the training for new product launches and updates. That way, the staff can always access the latest and most crucial product knowledge.

Outcomes: Good know-your-product training will empower your teams and boost both sales and customer satisfaction metrics.

Job-specific skills training

Job-specific skills are those required for a particular job. For example, an architect needs CAD (computer-aided design) skills, a teacher must know how to plan lessons, and a programmer has to be great at coding.

This training is a core component of employee education, especially for those in technical roles. Because technology is constantly changing, even tenured employees need to update their skills regularly. With an LMS, it's easy to involve staff members in training on a regular basis, thereby ensuring continuous learning.

Outcomes: Ongoing job-specific skills training will let your employees stay up to date with the latest developments and improve their performance.

Sales and customer service skills training

Sales training teaches objection handling and suggestive selling techniques to increase revenue, while customer service training focuses on building rapport, handling inquiries and complaints, and fostering customer satisfaction and loyalty.

Offering online training modules ensures that your team has 24/7 access to essential soft skills training. As such, they can hone their skills at a time that suits them and do so on any device, leading to higher completion rates.

Outcomes: Your sales and customer service teams will be equipped with the knowledge they need to increase sales and turn customers into brand evangelists.



Boost sales through impactful training with iSpring LMS

[Learn more](#)

2. Channel partner training

You might partner with distributors or resellers that sell their products on behalf of the company. While these distributors may not be direct employees, they need to have the training that's needed to represent the brand in the best way possible and sell its products.

Standardizing partner training ensures that every customer receives the same information and quality of service. Moreover, delivering training online makes it more accessible, boosting response rates.

Outcomes: Well-organized channel training will help you enhance your company's network and upgrade your business.

3. Customer training

This is about giving your clients the knowledge, tools, and support they require to get the most out of your products. It is usually achieved through a set of training programs or educational content created by the business. The idea is to guide customers through the entire process – from onboarding all the way to mastery of the product.

Moving this online is the only possible way to train customers around the world effectively without huge costs.

Outcomes: Customer training is a win-win proposition for both sides: it allows buyers to perform their business or personal tasks effectively and helps you retain your customers by gaining their loyalty.

You might need to implement one or more training scenarios, depending on your business goals, but you have to keep in mind that the LMS you choose should have all the functionality required for this.

How to Choose the Right LMS

Now that you know how you can benefit from an LMS and which training scenarios you can implement, let's dive into the nitty-gritty of how to choose the best solution for your business. Here are five essential steps you need to follow:

5 steps to choosing the right LMS



Step 1. Define your business goals and training needs

The biggest mistake many companies make when selecting between training platforms is that they're busy evaluating vendors and trying out features, instead of focusing on their own needs and business priorities.

Before you start evaluating LMS options, you need to answer one crucial question: "What problem does my business want to solve with an LMS?" Chances are that your answer will be geared to training as with "streamline employee training." Of course, this is a fair reason to adopt an LMS, but try to think deeper about what is behind that need.

Let's say your company has a high turnover rate and you found out that most of your employees leave the company in the first three months. So, your business goal may be to increase the retention rate. If you have difficulties defining your business objectives, go back to the Why Should You Care About an LMS section, as we covered the common business challenges there.

Pro tip: When setting goals, make sure that they are specific, measurable, achievable, relevant, and time-bound (SMART). That will make it easier to track and analyze your progress.

S

SPECIFIC

What will be accomplished?
What actions will you take?

M

MEASURABLE

What data will measure the goal? How much? How well?

A

ATTAINABLE

Is the goal achievable?
Do you have the necessary resources?

R

RELEVANT

Is your goal really relevant?
How does it align with other goals?

T

TIME-BOUND

What is the time frame for achieving the goal?

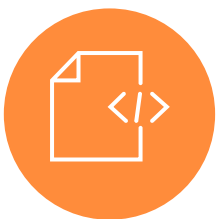
Getting back to our example, your SMART business goal may look like “Increase the retention rate to 90% by the end of the year.” Now you should think about how you can do this with an LMS. For instance, a reasonable decision in this particular case will be to implement a new hire onboarding program that will let you engage your newcomers in the corporate culture, help them feel welcome from day one, and become productive faster.

Outcome of Step 1: You have both a list of your business objectives and a list of training scenarios that will help you achieve these objectives.

Step 2. Decide on the type of LMS

Now it's time to move to a more technical phase and figure out what types of learning platforms exist, how they differ, and which ones are suitable for your business requirements. You first have to select between **open-source** and **commercial** software.

Open-source LMSs are fully flexible and customizable solutions that are typically free to use, while commercial LMSs are out-of-the-box platforms with license fees. Here's a quick comparison of how they differ:



Open-source LMS

- Can be adjusted to the user's particular needs thanks to the open code
- License-free but you have to spend on server and hosting architecture maintenance
- Requires an IT technician who will deploy and service the LMS



Commercial LMS

- An out-of-the-box solution that comes with a certain set of features
- Has fixed pricing, doesn't incur additional costs
- Is typically serviced by a vendor that provides tech support to customers and takes care of their sustainable operation

Commercial LMSs are **cloud-based SaaS** solutions by default but you can also have them **hosted locally**. When selecting a SaaS platform, you leave it to your vendor to deal with server load, backups, and security. In the second case, you store all the data on your company's own servers, thus hosting the system yourself.

If you don't have IT staff in place and want to focus on more meaningful training tasks, the SaaS LMS will be the best match. But some companies avoid cloud-based learning management systems because of data security concerns. They believe their information that is stored on a remote server could be compromised. However, there are different ways to safeguard your data, such as ensuring that the LMS vendor has effective encryption protocols and will back up your information.

Outcome of Step 2: You know for sure what kind of LMS you need: open-source vs. commercial and locally hosted vs. cloud-based.

Step 3. Make a list of the essential features you need

You may have various training needs and, consequently, different requirements for a prospective learning platform. But there are essential features that any LMS should have. When selecting a platform, ensure that it has the following functionality:

Must-have LMS features

01

User management. Allows you to add and edit users, organize them in groups and departments, and assign roles to them.

02

Course management. Lets you upload training materials, combine them into training programs, and deliver content to learners.

03

Reporting and analytics. Provides you with reports on learner progress and results, as well as reports on training materials

04

Workflow automation. Automates course enrollment, sends out invitations to upcoming events, sends deadline notifications, etc.

05

Workflow automation. Automates course enrollment, sends out invitations to upcoming events, sends deadline notifications, etc.

06

Native mobile app. Makes courses available to learners anywhere and at any time, right on their mobile devices

07

Tech support. Provides quality technical assistance to customers when they need it.

There are many more features an LMS might have. These are social learning features like discussion forums, live chats, certification, white labeling, and customization. Depending on your business needs, some of them could turn into must-have requirements for your LMS.

Pro tip: If you're going to create training courses in house, one of your must-have LMS functionalities will be extensive content authoring capabilities. Consider the [iSpring LMS](#), which has built-in tools for creating simple courses and quizzes and comes with a powerful authoring tool, and [iSpring Suite](#), which allows you to build more advanced content.

It will also be useful to have a log of features that are nice to have but won't impede the ability to reach business goals if they're missing. These are functionalities that you may not need or have already addressed with other tools you're already using. In general, the more complete your list of LMS requirements, the easier it is to find the best-fit solution.

Requirements	Priority	Notes
Quick start		
The LMS is easy to use for both admins and learners		
The LMS is cloud-based, so no installation or IT involvement is required		
It doesn't take long to learn the ropes of the system		
Tech requirements and security		
The LMS meets the security standards of our company completely		
The platform has out-of-the-box integrations with other apps (CRM, calendars, etc.)		

The second tab of our resource collection has an extensive list of LMS requirements that you can sort into "must-have," "nice-to-have," and "optional" categories.

Keep in mind that many learning platforms offer tiered pricing, so nice-to-have features excluded from your initial purchase may be available with higher plans as you scale.

Outcome of Step 3: You have a complete list of must-have and nice-to-have LMS features.

Step 4. Explore the market and evaluate LMS vendors

Now that you have a list of features you're looking for, it's time to research which LMS options on the market best meet your needs. Here are a few ways to narrow your

options down.

Get word-of-mouth referrals. Ask colleagues and friends what solutions they're using. Find out what they like and dislike about their LMS and whether they'd recommend it to you or not.

Read websites for HR and L&D professionals. These can be a great source of information and give you an idea of which LMSs are currently popular.

Check ratings and user reviews. There are lots of websites, such as Capterra and G2, that post reviews from actual customers and compare platforms.

	A	B	C	D	E
1	LMS	Website	Pricing	Contact details	Notes
2	iSpring LMS	ispring.com	\$4.46 per user/month for 300 users, billed annually	https://www.ispring.com/company/contact-sales +1 800 640 0868	
3					
4					

The third tab of our resource collection allows you to make a list of LMS options, collect contact details, and keep notes on your interactions with each vendor.

Sign up for a demo

Now that you have a first cut list, it's time to dig a little deeper and learn a bit about each LMS. Most vendors provide free LMS demos so you can see what they have to offer. If a vendor doesn't provide a demo, this is a red flag. Don't consider this LMS for purchasing because you shouldn't buy software without having a chance to talk to a provider and see the LMS in action.

Let's say you've scheduled a demo with a potential partner but you can't let certain things slide. You should prepare for it in advance.

Decide who should attend the presentation. Buying an LMS isn't a solo project, you need to create a focus group with stakeholders who will take part in the project. For example, you might want to invite an IT specialist, a course developer, and an L&D manager to gather well-rounded feedback on the LMS.

Develop a use case to cover all your business needs.

A use case is a scenario that will be performed by an administrator, an L&D professional, and a learner. Once you provide a vendor with a specific use case,

they will be able to personalize the demonstration – show how it works according to your needs. Here’s what use cases might look like:

Examples of LMS use case scenarios	
Background	Use case
<ul style="list-style-type: none">• You have to complete a compliance audit annually and want to streamline compliance training with an LMS.• You’re planning to hold face-to-face trainings with an instructor and want to manage them in the LMS along with self-paced courses.• You’d like to provide guidelines or update employees on new procedures quickly and easily.	<ul style="list-style-type: none">• Ask the vendor to walk you through how to add users and put them into departments/ groups, create a training program, and set up recurring enrollments.• Ask the vendor to show you how to schedule training events in the LMS calendar, invite participants, and track their attendance.• Ask the vendor to demonstrate how to create courses in the LMS and assign them to employees.

It’s also a good idea to ask the vendor to conduct a demonstration from the learners’ point of view – how they log in, view courses, take quizzes, and look through the training results. This will help you understand whether using an LMS is fairly straightforward or will pose a challenge for your employees.

Pro tip: Whether you use a spreadsheet or just pen and paper, track the important details during the demo so you can assess each vendor accurately.

Prepare a list of questions to ask the vendor. A live demo is a great way to get all the details about the LMS, so make sure to jot down the questions you’d like to ask in advance. Here’s a sample list of questions:

- How much does your LMS cost? Are there any hidden costs for things like installation, updates, and technical support?
- How flexible is the LMS? Can you customize its functionality yourself? Can you integrate it with other apps?
- How will the data be protected? Is there a disaster recovery plan?

What resources will I need?

How much time will it take to implement an LMS?

Do you offer any product training? Free or for an extra fee?

Can I use my existing training materials or do I need to build them from scratch?

Basic functionality

What are the best features for the training scenarios that I'm going to implement?

How can an LMS help me automate training workflows?

Can I make training available not only to employees but also to external learners?

What is SCORM and why do I need it? Can't I use my PowerPoint presentations, videos, and

The fourth tab of our resource collection includes a complete list of common questions asked to LMS vendors. Choose the ones you find relevant and add your own questions to the list.

Sign up for a free LMS trial

Some vendors offer free trials to allow potential customers to get a thorough sense of the platform. During this time, you'll have a chance to test all LMS capabilities yourself. Here's what to look for during the trial period:

- **Do the features work as described?** To get started, invite users, upload training materials, assign content to learners, and experiment with creating a course. Then test extra features that you may want to use. For example, if you want to change the interface of the student login page, try doing it yourself.
- **Is the LMS easy to use?** Pay attention to the LMS interface. If it's hard for you to understand how to add users or assign content to them, you'll have to spend a lot of time mastering the system and teaching employees how to use it. Consider choosing an LMS with an intuitive user interface right from the start.
- **Is there any noticeable lag in the software?** Load the LMS as much as

possible. Upload tons of materials in sizes and formats that you expect to be using in the near future – SCORM courses, video lectures, reference docs, and more. Upload materials to the platform, assign them to users, try other features you’re going to use, and see if everything works fine.

- **Has the vendor reached out to offer help during your trial?** An LMS trial is a good chance to find out whether a vendor provides quality tech support and how promptly they get back to a user once a request is made.

Research LMS pricing and payment schemes

Finding the right balance between price and value can make or break your learning project. To choose the best option for your business, see which LMS pricing models are available and how they work.

	How it works	This plan is suitable for you if...
1. Pay per learner	You’ll pay a fixed price for a set number of learners.	<ul style="list-style-type: none"> • The number of learners is stable • Training is mandatory in your company
2. Pay per active user	You’ll be charged for users who used the LMS during a billing cycle.	<ul style="list-style-type: none"> • You need to add temporary users or conduct one-time training • You’d like to spread training out evenly for different batches of learners throughout the year
3. Pay as you go	You’ll pay only for what you use.	<ul style="list-style-type: none"> • You’re uncertain if there will be a consistent demand for learning
4. License fee/ subscription	You’ll pay a set price for a periodic license. The price is usually tiered, depending on the features included.	<ul style="list-style-type: none"> • You know which features you need • You’re a large enterprise and need a high number of users
5. Free (open source)	You’ll pay nothing for	<ul style="list-style-type: none"> • You want to stay

	How it works	This plan is suitable for you if...
	access. However, you'll need setup, customization, and maintenance, which can be expensive.	independent of vendors <ul style="list-style-type: none">• You need highly tailored features• You have IT professionals to customize and maintain the system

Let's look at how this works with a real-life example.

Situation: Oticon is a hearing healthcare company. It needs to maintain a high level of knowledge and skills among all 250+ employees across the country. It is crucial that all employees hear the same consistent messages related to the products sold by Oticon.

There is a 10-week onboarding program for new account managers who join the company and a wide range of product training, totaling more than 300 e-courses.

The most essential features they need:

- Offline capabilities for account managers and field trainers
- Reporting to measure and monitor completions
- Learning tracks to allow the creation of individualized training plans

Estimating options: Billing for the number of users in the system isn't cost effective for this case because with that number of users, they'd like to pay only for what they use and save some money.

The reason why Oticon didn't go for LMSs with a license fee model is that the features they need weren't present in the basic plans, and all plans like "Business" or "Professional" include excessive features and integrations. There wasn't any point in paying a monthly/yearly fee and missing out on some functionality.

The reason Oticon refused an open source solution is the lack of user-friendliness and the time- and resource-consuming processes.

Solution: An LMS with a pay-per-active-user pricing model with unlimited space

for data storage, a mobile app for offline use, and a learning path feature.

Outcome of Step 4: You've looked at the demo of each LMS in your list, taken them for a spin with an LMS trial (if there was any), and selected LMSs that fit your budget. As a result, you've narrowed down your list to several platforms.

Step 5. Select the right LMS and roll out implementation

It sometimes happens that you can't make a choice between two or three finalist solutions, any of which meets your demands. To settle on an LMS, create a Request for Proposal (RFP) that will include your LMS requirements and send it to potential LMS vendors.

Template

Request for Proposal

Learning Management System

[COMPANY NAME] seeks offers to launch corporate training on a new learning management system. We would like to invite your company to participate in the selection process and to submit a proposal.

Brief Summary of the Project

The third tab of our resource collection allows you to make a list of LMS options, collect contact details, and keep notes on your interactions with each vendor.

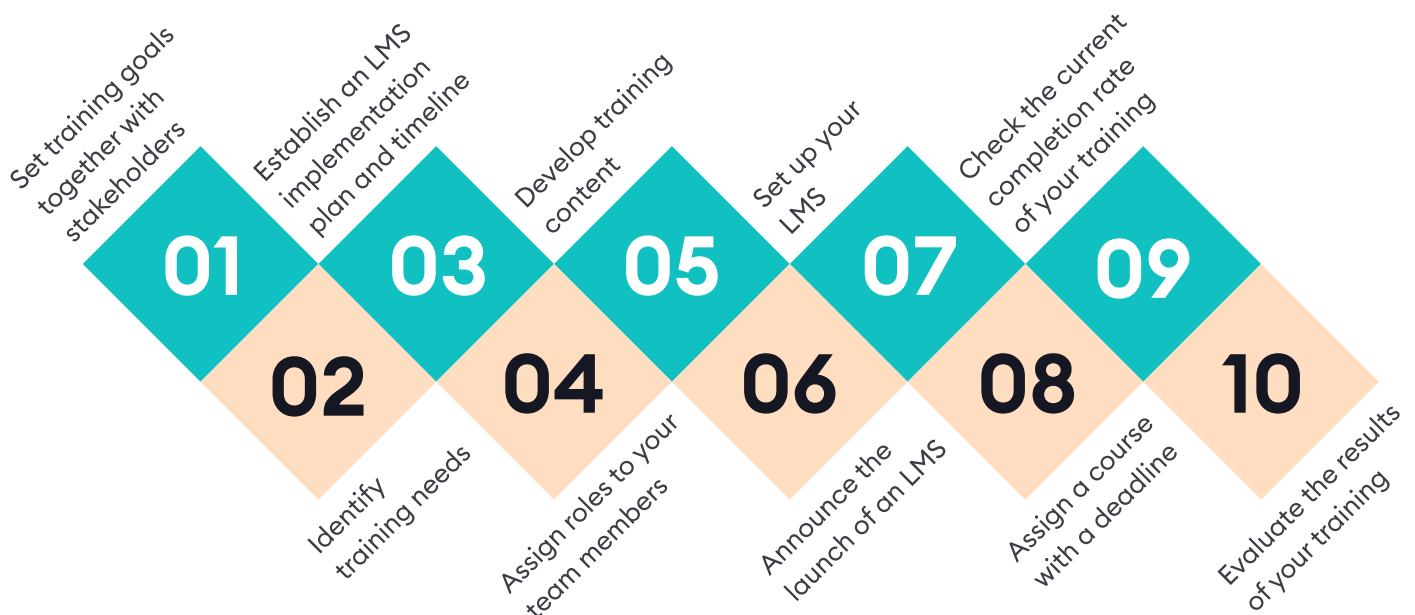
LMS user-friendliness, features, implementation timeframe, support and maintenance, final license cost – all of these play a crucial role in identifying the right LMS. Compare the responses and select the vendor whose terms suit you best.

Pro tip: To get step-by-step instructions on how to create an RFP and see real-life examples of what it should include, check out [this article](#).

Once you've selected and purchased the LMS, you need to deploy it. While it may be the final stage of the process, it's just as important as the steps you've gone through. Since the overall success of the LMS experience depends on the implementation process, we've created a [guide on how to deploy an LMS](#) in 10 steps.

From setting training goals to creating learning content and checking the completion rate of your training, the steps are outlined in detail to help you get your LMS up and running.

10 steps to LMS implementation



Outcome of Step 5: You've chosen an LMS, purchased it, and successfully deployed it in your organization.



Bottom Line

Selecting the right LMS requires careful research and planning. There is no one-size-fits-all solution that will work for all businesses and fit every situation. Ensure that you've taken all important aspects into account, especially your business goals and training needs. Involve your team in the selection process and identify critical features that will set you up for success. Following the steps we've outlined in this guide will save you time and money and help you make the right choice for your business.

If you're looking for an even faster way to choose an LMS, [contact our team](#). We'll be happy to discuss your goals and needs and point you in the right direction.

You can also [book a free demo](#) of our award-winning LMS, iSpring LMS. During the demo, we will dive into your project specifics and help you decide if iSpring LMS is right for you.

About iSpring

iSpring is a global leader in creating award-winning software for eLearning. For over 20 years, it has developed more than 10 stand-alone eLearning tools, such as iSpring QuizMaker, iSpring Converter Pro, and iSpring Cam Pro. These tools are highly popular among eLearning professionals both separately and together – in iSpring Suite, an all-in-one authoring tool.

The release of iSpring LMS, a cloud-based LMS, in 2014 enabled companies to accomplish their online learning with iSpring's solutions alone. The vendor constantly updates its products to stay one step ahead of the game and introduces new features based on user requests.

iSpring is recognized for its beautifully engineered products and exceptional customer service. More than 61,000 customers in over 173 countries choose iSpring for its high level of performance and reliability. The customer list includes thousands of freelance instructional designers and teachers, almost 200 of the Fortune 500 companies, government agencies, and educational institutions worldwide, some clients being Microsoft, SAP, Boeing, Dell, Adidas, Procter & Gamble, University of California at Berkeley, Harvard University, and Stanford University.

About iSpring LMS

iSpring LMS is a powerful training platform designed specifically for small and medium-sized businesses. It helps you quickly adapt new hires to the workplace, build an ever-growing knowledge base for your company, improve business metrics by promoting best practices, and scale your success by training teams, clients, and partners more effectively.

iSpring LMS powers the entire cycle of effective corporate training, from creating engaging training content to streamlining delivery and collecting insightful reports. Even those who are using an LMS for the first time master iSpring LMS from the very first days hassle free and achieve astounding results in the shortest time.

With iSpring LMS, you can:

- Create engaging courses and quizzes online
- Involve internal experts in creating training content right on the platform
- Save time and effort by automating repetitive training tasks
- Identify skill and knowledge gaps with comprehensive reports
- Identify the competencies and qualifications of your team with precision
- Better measure training ROI with accurate data



Automate corporate training
and improve employee performance

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