Hello learning people. Welcome to episode 48. Have you thought about your learning management system today? Are you in the market for purchasing a new LMS? Well, after this conversation with John Leh, I'm guessing you'll be analyzing your platform or your requirements in a more informed way. John Leh is the CEO and lead analyst at Talented Learning, a learning management research and consulting firm devoted to helping organizations choose and use LMS solutions. His company has reviewed scores of learning management systems, and he shares his insights in this conversation. If you'd like a transcript or the show notes, go to TheeLearningCoach.com/Podcasts/48. Here's the interview.

Hello John. Welcome to the eLearning Coach Podcast.


Connie: We're going to talk about a topic that comes up a lot among learning professionals, and that is learning management systems. And I found out that you know a lot about them. Just to make sure we are all on the same page for the newbies in the field, can you give us your definition of a learning management system?

John: Yeah, a learning management system, LMS for short, is a software system that tracks learners and content and the interrelationship between the two. So, for example, an LMS could be an employee LMS, where it keeps track of who your 100 employees are, what their job titles are, what their organization are, and what their training requirements are. And then it provides them access to that content to either register, to take training, or to consume it online. And to some degree, every LMS, no matter what flavor, and there's lots and lots of flavors of LMSs, to some degree does exactly that: it keeps track of learners in the content, and what content they can see, or they're mandated to take or have access to, and it grows from there. But that's the base level definition.

Connie: Learning management systems do not always have a great reputation among learning professionals. They seem to have a reputation for being unwieldy and difficult to use. Is that unfair?
John: I think that is unfair, or at least that's unfair in 2018. I think for a lot of years, for 20 years perhaps, ending about five years ago, all the systems were large and clunky, and there were probably only a dozen competitors, plus or minus, that divided learning management solutions in the industry. But over the last five, or even ten years now, there's been an explosion of new vendors that have entered the marketplace, due to the cloud and the technical ease of releasing a new application into the cloud. And as a result, LMS systems in 2018 are modern, they're social, they're mobile, they look like things that you would use in your personal life from a commerce or social media perspective. And so, to say they're clunky or antiquated is probably not accurate in today's market.

Connie: Okay. That's pretty much a dated perception. So, they say that you have reviewed over 100 learning management systems. And I'm really sorry about that, John. Is that true?

John: That's true. That's true. The number now is 171 as of yesterday. So, when I founded Talented Learning four years ago, it was founded under the premise of, "Why are there so many learning management systems?" And how did it go from that dozen I was talking about to hundreds, or now even 700, or even estimates of 1,000 here in some places that are in the industry? And I decided I'd start going one by one and seeing what they are, seeing if I could talk to the executives, understand from a business executive standpoint, and then get demonstrations. And I started going one by one and collecting the information in my database, thinking I'd get done. But every time I do one, I have three new ones that pop up on my radar. So, it's been quite a journey, but what I've found is, overall, a lot of specialization that is in the market driving the innovation. It's been a pretty exciting journey.

Connie: That is amazing. You are saying that there are over 700 learning management systems? That's almost an unbelievable number.

John: Yeah, it's quite astonishing what's happened in the marketplace; that there are so many. And I do believe that we have our list. I have not reviewed the 700, so once we get done with that we'll let you know definitively. But with the 171 that we have now, what we've learned is that there's no two that are exactly the same. People say LMS, and the application of that is in countless directions, whether that's for employee compliance, or employee talent development. In
2018, probably the hottest topic is customer education, and customer training, and prospect training, and blurring the lines of marketing and training. There's a whole series of LMSs, channel partners, and franchises, and external partner LMSs, academia LMSs, but all different flavors from opensource to K-12, to higher-education. The list goes on and on of the different specialties.

And that's really what's been, for our standpoint, and from my standpoint, researching the industry, is how much specialization there is in the industry. And really, the reason is, is because it makes a measurable difference in people's businesses when you're applying learning management to a use case versus just a generalist learning management system that we've had for so many years or for the 20 years prior.

Connie: Are those the categories that you use when you describe different types of learning management systems?

John: Yeah, there's probably a lot of ways to classify the industry and to look at how to group the 700 options that are out there, and grouping like with like. For the first couple of years of Talented Learning I really struggled with what was the best way to group these, what made the most sense. And where we've evolved to is by the use case of the target audience in the LMS seems to be the best delineator between the different types of learning management systems. So, for example, if you make a learning management system that's targeted for organizations to train their prospects and their customers, it has different use cases, different functionality, different required integrations, different expectations from the professional service team that needs to implement it, different types of learning content that needs to go on there. All those things are specialized towards that customer prospect or any of those groupings.

And so, what we've found is that target audience application is the best indicator of the type of LMS. And really, that carries a whole bunch of specialized requirements. So, buyers nowadays don't need to go to a generalist and try to push a rock uphill of getting them to understand their unique business scenario. But quite the opposite. They go to a specialist, and that specialist helps share best practices and becomes a business partner to help make learning management a competitive differentiator. And that's what's happening today. It's very different than how the market was before.
Connie: Yes, it really is. When you are doing your reviews, what kind of criteria do you use? What are you looking at?

John: Mm-hmm (affirmative). I started off with the premise to say I'm not looking for gaps. I've been in the industry a long time, 23 years now in the learning technology sector. And what I always thought about reviews in general that happened from industry analysts is that it was always about what they were missing. And I think that's the wrong perspective to look, because what you have in an LMS and what you need and what is missing is all directly dependent on the use case that you're trying to solve with that LMS. If you're only looking from a generalist standpoint of saying, "There's 1,000, 10,000 features that are in the industry, how many of those that you have?" I think that is the litmus before ...

What I wanted to do was really try to figure out what each one of these learning management systems did special. You know? What was that special sauce? Why were they winning opportunities in the marketplace? Especially when there's 699 other competitors out there that have learning systems also.

My process is I like to go and I start with executive briefings, so that I understand from a business, a history, how they were founded, what's the mission, what is the business objectives, what are the target clients they have, what are their unique differentiators, and go through a process of learning that from a business standpoint, long before I get into the system. Then, as a follow-on, I usually spend one to two hours diving through the system on a guided tour; understanding what the differentiators are in that system, and then being able to ask questions and test use cases, the whole-time documenting that inside our review forms.

And what we're looking for is the things I described earlier, about what's unique in each one of those specialized LMSs. We're looking for the use cases, the functionality that they have, the technical integrations, technical deployment options, how they charge for licenses, their cost structure, the type of services that they offer; are all things that we're collecting in our database. The reason we do that is for our day jobs, and we help organizations figure out what they need from a learning technology standpoint, and then match them with the specialists that make the most sense from the ones that we review. So, we take the process of digging in deep to learn about them very seriously.
Connie: You really have a unique perspective on the whole industry. With so many changes going on in our field, how do you think learning management systems are changing?

John: Mm-hmm (affirmative). I think where it's changing is, you know, in each one of those use cases or types of LMSs, we see innovation that is specific to those use cases that's really [inaudible 00:10:06]. That's what's kind of unique; is what's important to one of those sectors isn't necessarily important to the others. The rate of innovation is faster than ever before, in my opinion, just because there's so many different groups moving in different directions of what learning management is, in almost like a starburst type thing.

But what is common across all of those is the things that are driving technology into our daily lives, so the integration of social and collaboration and building communities and groups, and using that for all types of purposes, from not just educating employees, but customers and prospects, and helping channel partners, and helping people sell. These social groups are tied throughout all the different ... as well as the need to deliver everything 100% mobile, down to the smartphone size.

In your own life, I'm sure you're seeing from a content standpoint smaller and smaller pieces of content, more video-based, to be able to get any learning anytime you need it when you need it, versus trying to take courses in hopes that you might need it down the road. So, that performance support aspect that us instructional folks have been talking about and loving for a long time, but technology has finally caught up to make it realistic. Then, finally, I think the integration of gaming elements inside the content as well as platform-level gamification to tie it all together are all trends that we see happening in all the sectors, but the application and how they're developing is certainly nuanced in each one.

Connie: Hmm. It does sound like things are evolving. Do all these different types or classifications explain why there are so many different LMSs in your opinion?

John: I think at the end of the day, the perspective that probably most people don't consider is as I work with LMS buyers in this, what I've found is that none of those companies are buying the generalists; the household names that you see and that you've heard of for decades, when they're in a competition with the
specialists, the specialists are winning. I think if there's one thing that's unique regarding why there are so many learning management systems, it is buyers like the concept of specialists, because they're getting best practices as part of the deal, versus being the ones that need to educate their vendors. So, that's why there's so many, I think.

Connie: Mm-hmm (affirmative). So, it's more like the learning management system for a specific niche is actually doing better now?

John: Mm-hmm (affirmative). That's exactly it. So, imagine if you're an insurance company and you have a whole external channel of insurance agents that rep your product, but they're not your employees. And, in fact, those same people might be able to rep multiple insurance companies; independent insurance agents might rep Allstate and State Farm, for example. And so, when you go in for car insurance or life insurance, say, you could choose from either of those companies to provide you with an insurance policy. But which company they recommend to their clients, what we've found is based on which one is trained better. Which organization is providing resources, and certification, and learning paths to those independent agents so that they can sell easier, so they can state products and the features and the benefits, and do that easier so that they can convert more of their prospects into clients?

And so, insurance companies that spend money and effort and time in great content to train their external channel partners see an increase in channel partners' sales. And that's happening in every industry and in every sector. It's that tie to an actual business advantage, which is, I think really one of the most important things that buyers are looking at. It's not just a matter of checking the box and saying, "My employees have taken their HIPAA compliance or their sexual harassment course for this particular year," but rather learning and the tracking and measurement of learning is a strategic tool for us to do better in the marketplace. And that's exciting. We've talked about it in learning for many years now, about getting a seat at the executive table. But it's here now for those organizations that are using learning as a strategic tool. They're using it to increase revenue, to increase sales, to increase customer satisfaction, all things that are a whole lot easier to measure than employee development.
Connie: Interesting. That adds a whole new dimension or layer to the benefits of using an LMS. In terms of getting credit or credentialing for experiences that do not come through the LMS, such as taking a third-party online course or attending a workshop at a professional conference, do you see LMS platforms finding a way to incorporate those self-identified learning opportunities?

John: I think it's happening in two ways. For employee LMS systems, there has been for a long time a way, in most of the applications, to one degree or another, a way for employee learners to upload external credentials, for either courses that they've taken perhaps, or credentials that they've earned from an external standpoint. What's changed and what's really unique is the concept of backpacks, or public places, or public lockers, they go by different names, where you can consolidate all of your professional credentials overtime, and things that you've done from Lynda, or any other paid source or free source, in a centralized location. A lot of times employers don't really want to give you the portability of that training that you take, because it's a competitive advantage to them, you know, how they develop their employees. So, they're not necessarily caring whether you can shop that around in your career later.

And so the independent backpacks, like Mozilla, for example, or Credly, that's another good example, are places where professionals can store those credentials and take ownership of their lifelong learning, and then use that from a personal standpoint as a competitive advantage to get promotions and jobs over time. And that I think is one of the evolving trends that we see a lot of momentum behind.

Connie: This leads us into a discussion about xAPI. How are learning management systems integrating with learning record stores or handling xAPI data?

John: I don't think xAPI has caught on as rapidly as a lot of us would have hoped. I look at it through a couple of different lenses. One, is through my clients are identifying as requirements. So, what I've found in those 40-some clients is that a lot of clients want xAPI content and want xAPI as a requirement. My follow-up question is, "Great, why? What's the use case behind that?" And I meet a lot of blank stares at that point. So, they know it's important, they know it's coming, they know they need to do it, they know they want their technology to have it. They have no idea how they're going to use it, is what I see.
So, if xAPI is happening in a major way, it's just not in the circle that I tend to be running in. I see a lot of LMS solutions that are xAPI compliant and will take xAPI content and have LRSs running alongside the LMS database, but driving unique use cases I don't see. One of the values of xAPI is to capture all of those little unique things that are not necessarily learning; about doing this, or reading that, or any verb, as you know, of how you consume some type of content or perform some action. And as it turns out, there's a category of software that already exists in the world called CRMs that do exactly that, Salesforce.com being the number one in the world with 150,000 clients, I think, using their software. And that's exactly what that stuff does. In a non-learning standpoint, it measures all the different things that a potential prospect, or learner, or employee does or can do, and you make business decisions on that.

So, in 2018, a trend that we see is that instead of using xAPI, LMSs are being asked to integrate with the CRMs, and integrate and pass any data that they have from registration to completion to progress to interaction with content, and pass that to the CRM so that the CRM can then combine that with other business data so that you get to actual business results and data analytics. And so, unbelievably, it seems to, in my circles anyway, xAPI is being replaced by an LMS CRM integration.

Connie: I have such a different perception of that, because when I look at things at the design and development level, like how many people fill up an xAPI workshop or join an xAPI cohort to experiment with, it's huge, hundreds and hundreds of people are joining these groups and taking classes and trying to figure out how to use it. So, I guess we're looking at the same thing from different perspectives. One might be the perspective of the designer/developer. The other is the business executive. And it is going to be interesting to see if they clash or somehow can resolve it.

John: Yeah. I do think so. I think it'll come to head. Because at the end of the day, I believe that data is really the big differentiator for organizations, to be able to analyze that and use that data strategically. And whether that's about employee learning, or whether that's sales, or any other part of the business. And so xAPI provides that data and provides it in a way that makes it measurable and makes it in a language that executives would care about, if you could tie it to an actual business metric.
So, I think the key for learning and development people is that, as the world evolves now to learning as a competitive differentiation, there always needs to be that bridge between the technology translated into how an organization's going to make money, save money, or improve their business processes. And if training people can't articulate the argument in that way, they're never going to get anybody on the executive side or the business ownership side to really care about xAPI.

Connie: Right. Nowadays, you need to make a business case for something.

John: Every time.

Connie: Every time, right. What kind of authoring tools do the better LMSs have, if any? And, is that what you call an LCMS?

John: Hmm, interesting. Good questions. What we see in the market today is that there's been a lot of internalization of authoring in the learning platforms. So, as these specialist platforms are evolving, intra-LMS authoring is common; the ability to create courses that have pages and interaction types and templates. Some to higher degrees and some to lower degrees of specialization. But a lot of the same capabilities that you would see in standalone authoring tools, third-party authoring tools that are in the market, you're seeing incorporated into learning platforms. When that happens, and when that happens well, it provides organizations a lot of economies of scale and horsepower, because there's not some artificial delineation between two systems. They work as one. And it's hard to say at any given time, whether you're in the authoring component or whether you're in the LMS component. It's more gray than that, of the applications working together.

So, for example, you can do things like ... easier to have sample content or sample lessons, or the ability to do previews; are all easier if you're authoring within the same system. So, we see a lot of organizations shifting back. It still has the same downfall that it always had, and that is if you change your LMS system, what do you do with all that content that you authored in that system? And that's still a risk that organizations need to get their arms around. When they find that that risk is too great, and they don't know if they want to place that much trust in their LMS platform, then they'll still go ahead and use third-party authoring tools to create that content so it's portable.
I don't know if there is such a thing as a learning content management system anymore, specifically. I think every LMS system can manage any type of content, just about, from any type of electronic content, differing degrees, instructor-led content or virtual-led content or video. Certainly, some are more encompassing than others, but generally any type of learning content can be categorized with titles and descriptions and tags and metadata and things like that. That used to be more a separate system, a separate LCMS. There's still organizations out there that have ... The other definition of LCMS would be collaborative authoring online. And there's certainly, with Articulate and Domino, are two good examples of organizations that are providing that, and they do call those LCMSs also. So, there's a lot of confusion on that term in the industry.

Connie: Yeah. I can see that. Anyway, is there such a thing as a free LMS in the real world? I mean, even if you're adopting a free LMS like Moodle, I still see my clients needing a programmer to correctly install it or at least configure it and create modules for the functionality that you didn't know was not there. What is your take on that?

John: My dad, all the way when I was five years old, one of my first lessons was that there is no such thing as a free lunch. It took me a lot of years to understand that. But I believe that is true with LMSs also. You can certainly get the code for free, but all the things that you mentioned have a cost. And so whether you're paying that cost to a vendor or to your web host and to a third-party, and the maintenance in trying to cobble those different pieces together and do the upgrades and keep all of that working, that also has a cost. At first, you feel like it's less. In a lot of cases, it's not. I think for any truly serious organization, they're paying for their application. And even if they tend to use opensource, or even if an organization chooses to use opensource, I find most serious organizations are going to a third-party that provides strategic services and implementation and hosting services to try to ease it up, and that has advantages, because you can get very customized systems like that for less, but it's never free. Never.

Connie: Right. That was a good lesson you learned when you were five.

John: Yeah, practical.

Connie: So, when someone is going to look for an LMS, what are some of the top requirements that they should be thinking about?
John: Well, just based on this conversation, I think it's a good hard look at what you're going to use that LMS for is where it all starts, because you're doing yourself or your organization a disservice if you just go to the three or four names that everybody knows for the last couple of decades, because they're name brands. But rather, start from the other side of, "What are you trying to impact in your organization?" It's fine if it is an employee LMS that's focused on compliance. But if it's not, to be very articulate about what that use case is. Then, from there, that really drives your different requirements.

What I've found that's really helpful to do is to think about your requirements, not in a spreadsheet of, "Here's 1,001 things," and you go down that spreadsheet and you say, "Yeah, that's critical, that's critical, that's critical," and in the end you have 992 of them are critical with 8 optional. I think every organization's been down that same spreadsheet and has come to that. That's really the absolute most terrible way to go about it. Where you need to go about it, I believe, is to start off with what that use case is, and then what you want those learners to do at every step along the way. How are they going to get into the application? Why do you want to get them in? What do they have to do? What type of content? When? How often? And to go through the three or four personas that are going to be interacting with the learning management system. And to be pretty definitive about what you want them to do and how you want them to do it.

That right there are your critical requirements. And, amazingly, instead of being 1,000, when you water it down, it tends to be less than 100. And so that gives you a much more appropriate focus of what you need. And that allows you to scan ... The problem with buyers right now is how you scan the marketplace. I started a whole company to do this. I'm only 171 in, and I've been at it for four years. So, what's a buyer supposed to do to try to go through the marketplace and compare their requirements? So, if you give a list of 900 requirements, you'll find all 700 LMSs will say, "Yeah, we can do that." But if you really hone down to exactly what you need and think through that concept of critical requirements for your different use case personas, it'll be a lot easier to scan vendors in and out, and have vendors disqualify themselves once they see exactly what you're trying to accomplish.
Connie: Mm-hmm (affirmative). Well, it sounds like creating a customer journey map or experience map for each persona would be very helpful in this situation as a way to think it through.

John: That's exactly it. That's exactly it. We should join forces. I could have you do persona maps.

Connie: Sounds like fun. One last question. How can an organization measure the success of their LMS implementation and usage?

John: So, measuring success, it all comes around to that competitive differentiation of learning. For example, one of the things that organizations are doing with Salesforce.com LMS integration is they're measuring, for example, the prospects converting into customers, so a perspective customer that takes a module of learning, do they or do they not sign up for an actual membership? You know? Maybe a monthly membership to a particular software product. And so organizations are measuring from who consumes training, or achieves a certification, and then what they do as a result. Do they sell more? Are their deals bigger? Are they closing deals faster? Are customers buying faster? Buying more? Renewing more? Are they calling into support less? Are they calling into support more? And so, it's really easy to do A/B testing. You know? Those customers that have, and those customers that haven't taken this basic training, what happens?

And so organizations are just getting so granular now in measuring the actual business impact that you can get down to dollar sand even cents of what a piece of training is going to do for your business, so that then you can predict for your next product launch, or for your next franchise that you onboard, or employee that you onboard; how you're going to shorten that and make a difference. And you can predict that, and then you can measure it, and then you can make improvements from there on whether you outperformed or underperformed. That whole science of measuring and proving the competitive differentiation of the business impact that learning technology is making, is really why there are so many learning management systems, and why learning technology in general has moved to a profit center from the cluster.

Connie: That's very interesting. John, thank you so much for your insights into learning management platforms, and for fitting the puzzle pieces together.
John: Oh, great. Great. Well, hey, it was my pleasure. Happy to do this.

Connie: Thanks so much. Honestly, I never thought I would be so fascinated with the world of learning management systems, but John has such a passion for the industry that he made it exciting. I hope you get a lot out of this conversation. If you'd like a transcript or the show notes, go to theelearningcoach.com/podcasts/48, the number, that is. And while you're there, you can download my eBook on writing for instructional design and get my monthly newsletter with articles and resources. That's it for now. I'll talk to you next time. Take care.