



The Value of Multi-Tenant
Learning Management Systems
for Third-Party Training Organizations



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LMS PORTALS, LLC

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THE GROWING NEED FOR CORPORATE TRAINING

The business environment is changing faster than ever. Increasing competition combined with evolving technologies and new pressures around compliance and workplace expectations are forcing companies to re-think their products and processes. Given this, the need for employee training and development has become mission-critical.



The average company in the U.S. now spends roughly **\$1300 per year** on training costs for each of their employees.

– *Training Magazine*

Learning and Development, also referred to as Training and Development, is implemented by corporate organizations to help align employee skills and knowledge with the goals of the company. Within the corporate organization, those responsible for Learning and Development must first identify gaps in skills and knowledge among employees and teams. They can then develop and deliver relevant and valuable training to address these gaps.

In larger organizations, Learning and Development teams are formed and led by a Learning and Development Manager. These teams are often granted significant resources for the development and delivery of comprehensive training programs along with supporting technologies.

For smaller organizations, the need and benefits of Learning and Development are equally compelling. Yet these companies often lack the resources (from both financial and labor perspectives) to implement effective training programs. Given this, an increasing number of small to mid-sized companies are looking to third-party organizations to fulfill this strategic need.

BUSINESS BENEFITS OF OUTSOURCED TRAINING

While most business leaders now understand the benefits of employee training, there can be numerous challenges to overcome on the way to developing and delivering effective programs. With many employees now working remotely, traditional classroom-based training strategies are no longer feasible. In addition, many companies lack the resources as well as the technology required to implement the strategies required to support comprehensive and ongoing learning.

Many companies now find that outsourcing the training function to third-party companies can make good business sense for the following reasons:

Cost Reduction: Reducing and minimizing costs is often cited as the primary reason when a business chooses to outsource any critical function. Partnering with a third-party organization to outsource learning solutions eliminates many of the expenses of implementing the program in-house, including the need to recruit and hire training talent and develop learning materials. A good training firm already has the talent and the tools available to deliver powerful training programs quickly and cost-effectively

Access to Expertise: Today's complex business environment requires specialized training and development in areas that can include compliance, workplace diversity, and technology. While this type of expertise can be challenging to recruit and hire, a good training company can assign a team that brings the specific expertise required for your training engagement.

Increased Speed: Working with an outsourced training organization can dramatically reduce the time it takes to deliver effective training to your employees. Companies that specialize in delivering corporate training typically have the expertise and technologies in place to develop, implement, and measure programs in a fraction of the time it would take to develop in-house.

Technical Implementation: Equally challenging to the development of relevant training materials is the delivery of training programs through technology. Working with a training partner can eliminate this need as they likely have access to the technology required for the streamlined delivery of your training program.



For the year **2020**, small and mid-sized companies spent an average of **\$68,000** on outsourced training services.

-Guide2Research



For companies of all sizes, **cost reduction** is the most often cited reason for the outsourcing of services.

-Deloitte

ELEARNING FOR CORPORATE TRAINING AND DEVELOPMENT

The increased focus on employee training has helped fuel the corporate eLearning industry, which is expected to increase by \$30 billion by 2024. eLearning, which refers to the deployment of corporate learning and training over the Internet, is currently in use by nearly 80% of U.S. companies.

The most effective and beneficial eLearning initiatives tend to focus on achieving specific business needs. For many organizations, the corporate eLearning programs that offer the greatest impact fall into three primary categories: Workforce Development, Sales Channel Training, and Customer Education.



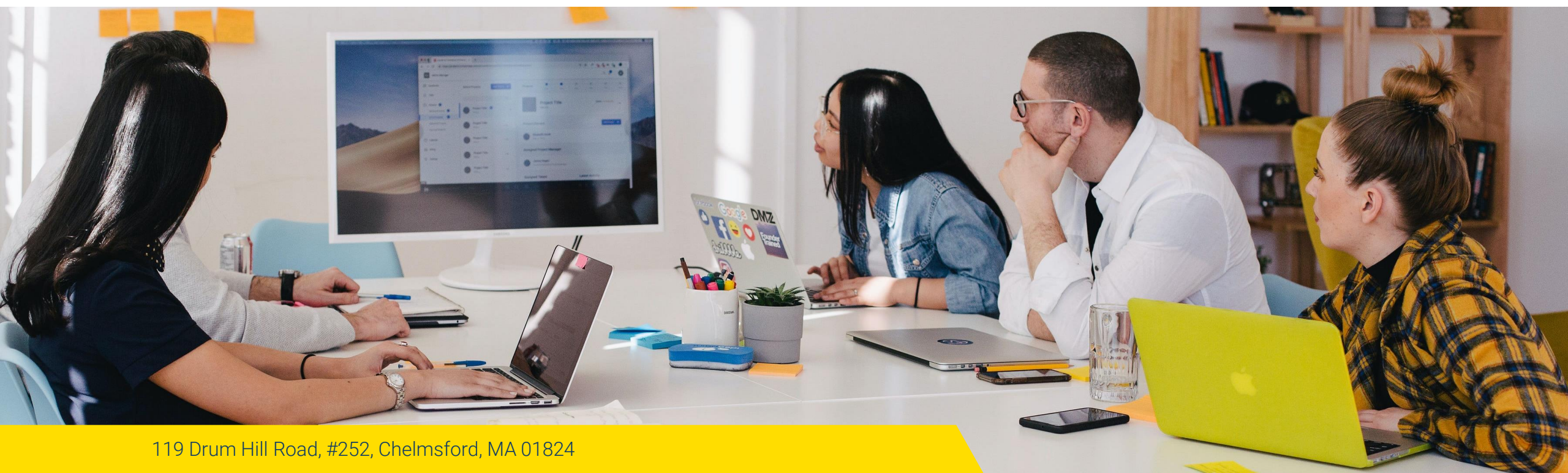
Workforce Development: These programs are designed to upskill and educate staff and can be particularly beneficial for new hires and for preparing workers for future leadership and management roles. Workforce Development programs often focus on “hard skills” which refers to role-specific training in such areas as finance and technology. “Soft skills” training programs tend to focus on more generalized areas, such as communication and time management.



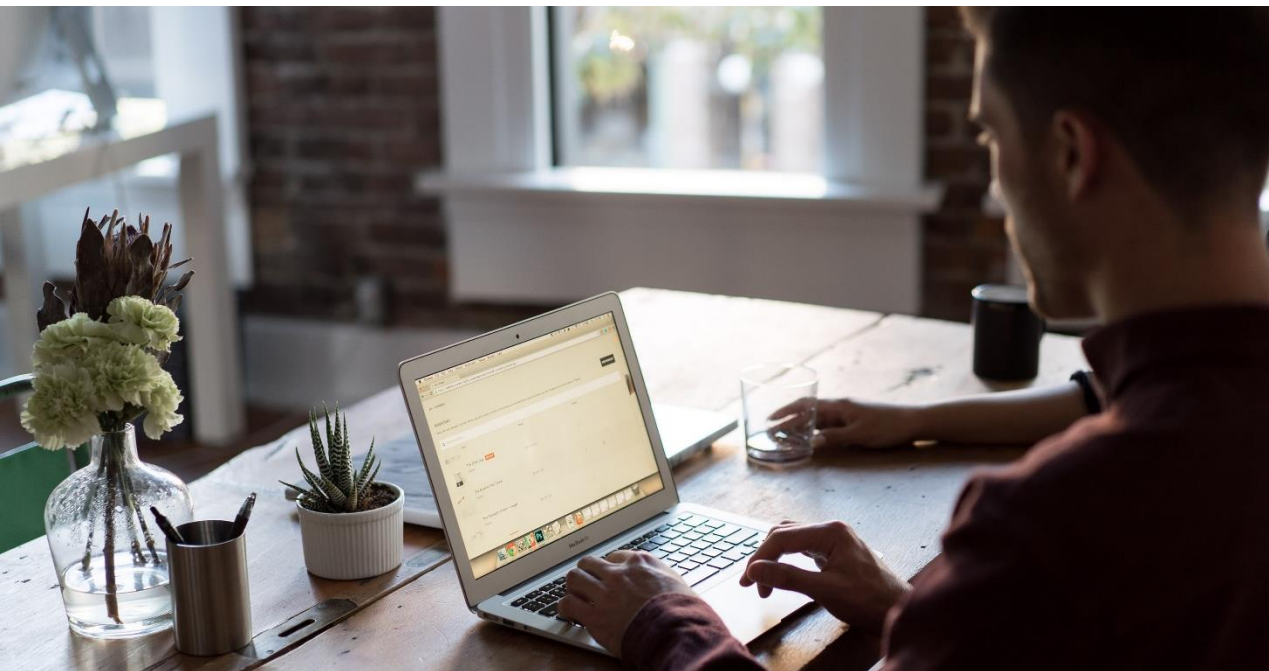
Sales Channel Training: The initial and ongoing training of sales channel partners has proven to be an effective use case for eLearning. These programs support efforts to educate and update reseller organizations around product information, and best sales practices. They can also help to onboard these partner organizations and familiarize them with your company policies and processes.



Customer Education: In recent years, customer education and training has emerged as an increasingly valuable initiative. Effective programs that focus on training to enhance product knowledge and the overall customer experience have proven to increase customer retention while creating greater opportunities for upselling and cross-selling to other product lines and service offerings. In addition, effective “proactive” customer education tends to decrease the costs associated with “reactive” customer support activities.



WORKING WITH LEARNING MANAGEMENT SYSTEMS



The core technology that supports the implementation of any eLearning-based training program, including corporate training and employee development, is a an LMS (Learning Management System).

A learning management system is a software application that provides the framework to manage all aspects of the learning process. The LMS is where you store, deliver, and manage your training content.

Some of the benefits of working with a Learning Management System to develop and delivery corporate training programs include:



Cost-Effectiveness: Learning Management Systems eliminate many of the costs associated with classroom-based training, including travel, venue and instructor fees, and the cost of printing and distributing training materials. In addition, this training approach eliminates the need to pull employees away from their job duties as LMS-based training can be conducted during breaks or after hours.



Self-Paced: For learners, one of the challenges of classroom-based training is in the need to keep pace with the instructor. LMS-based training removes this requirement by enabling users to learn at their own pace, even allowing them to revisit important or challenging materials multiple times before proceeding.



Training Consistency: From an administrative perspective, one of the challenges associated with classroom-based, instructor-led training is in ensuring a consistent message across multiple training sessions. Working with an LMS eliminates this concern by ensuring that training programs are delivered with a pre-approved set of materials and messaging that adheres to defined standards.



Detailed Measurement: With classroom-based training, it can be difficult to capture and share the important data regarding user participation and program success. LMS-based training addresses this need by embedding powerful tools that allow for the efficient capture and reporting of this critical information.

MULTI-TENANT ARCHITECTURE AND LMS PLATFORMS

When considering a deployment of a Learning Management System, companies must decide whether to deploy the platform on-premise or through cloud-based delivery. While some organizations prefer an on-premises approach, they tend to be larger organizations that have the resources (both labor and financial) to deploy and manage the system themselves.

Today, it is far more common for companies to work with a third-party provider to access the learning management features and capacity they require in a SaaS-based offering (Software-as-a-Service). This approach eliminates the need for a large capital expenditure on hardware and software and shifts the responsibility for the ongoing management and maintenance of the system to the LMS vendor.

SaaS-based LMS deployments present two architectural options:

Single-Tenant:

An architecture in which entire deployment and LMS infrastructure is dedicated to serving a single learning audience.



Multi-Tenant

An architecture that allows for the instant and dynamic allocation of new, dedicated training environments, on-demand.



In multi-tenant LMS deployments, multiple audiences (tenants) share the same application, but with different “instances”, so that each tenant is unaware of the other’s existence. Each tenant has access to the same, up-to-date feature set offered by the LMS, but accesses and manages their data only.

From an administrative perspective, a multi-tenant LMS allows for centralized management and significant scalability, as new instances of the application can typically be launched instantly



MULTI-TENANT LMS PLATFORMS FOR OUTSOURCED TRAINING

Multi-tenant Learning Management Systems have emerged as an ideal platform technology to meet the demands for corporate training and the increasing preference for the outsourcing of these services.

For third-party training organizations, such as human resources outsourcing, consulting and advisory firms, compliance training organizations, and others, a multi-tenant LMS offers a platform for the dynamic delivery of dedicated, customized training environments, on-demand.

Through multitenancy, each client can access their own dedicated, customized environment, designed to meet the unique needs of their training engagement.

ABOUT LMS PORTALS

LMS Portals provides a cloud-based, multi-tenant Learning Management System (LMS) that allows our clients and partners to launch and manage customized training environments (portals) on-demand. Each portal you launch, includes a rapid course development engine, along with supporting tools for user onboarding, messaging and collaboration, learning path assignments, certificates, analytics, and more.

Visit us at www.lmsportals.com to learn more.

