

ASSOCIATION LEARNING MANAGEMENT SYSTEMS

October 2009



The Report

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The Fine Print

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Introduction

The Impetus

For many years we've worked with associations to implement online learning initiatives. During much of this time we built and sold learning management system software and, as a result, experienced first hand the ways in which organizations go about selecting learning technologies. In our opinion, it was usually not an ideal process.

For starters, there never seemed to be a good information source to which organizations could turn for basic knowledge about the systems that were a good fit for member-focused education. Yes, there were—and still are—excellent reports available about corporate and academic learning management systems, but these reports do not address many issues that are important in association e-learning programs. Nor do they attempt to identify the companies that are really focused on serving nonprofit membership organizations.

As a result, we often found ourselves on the receiving end of lengthy requests for proposals that repeated many of the same feature-oriented questions and tried, in various ways, to verify that we really understood the requirements of associations. It often seemed to us that a great deal of time, effort, and money was being expended just to gather information that should be readily available. In the meantime, organizations often skimmed on or simply did not get around to the deeper, more meaningful conversations that would help them find a provider that was truly a great fit for their specific needs. There had to be a better approach.

These days we're no longer in the software business, but we are still focused on helping associations launch and grow successful e-learning initiatives. As part of our work, we've seen signs

that demand for learning management systems in the association sector is on the rise, and it seems past time for a practical research report on systems that are a good fit for associations. So, we set out to create the first publication we know of that offers detailed profiles of key learning management system providers to membership organizations.

We are truly grateful to the 11 providers participating in this initial report:

- Avilar
- Blackboard
- Digitec Interactive
- GeoLearning
- iCohere
- LearnSomething
- Meridian KSI
- Peach New Media
- Results Direct
- WBT Systems
- Web Courseworks

The questionnaire we asked representatives from these companies to complete was extensive and required a considerable time commitment. We regard their willingness to provide such detailed information to be a strong sign of their commitment to working with membership organizations. (A number of companies that might have been included in this report dropped out once they saw the questionnaire.)

We don't pretend that we have gotten this report perfect out of the gate. We hope you find it useful, but we also welcome your feedback on how we might make it even more useful in the future. Feel free to contact either of us with any suggestions you have for improvement or questions about the report's contents.



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What This Report Includes

The Four Primary Sections

This report represents a major effort to provide associations with targeted information about learning management systems to power their e-learning initiatives.

This report contains four primary sections.

Sector Overview

In Sector Overview we attempt to provide a general perspective on LMS usage in the association sector. This section features selected aggregate data compiled from the vendor questionnaire responses as well as key data points from our earlier 2009 *Association E-learning: State of the Sector* report.

LMS Selection Guidelines

In LMS Selection Guidelines we offer a high-level set of guidelines to help you through the LMS selection process.

Vendor Comparison Tables

In Vendor Comparison Tables we provide a range of tables to help you compare key features, functionalities, and pricing across vendors. This can be a great starting point for homing in on the systems that fit your most essential requirements.

Vendor Profiles

This section is where we provide very detailed information on each participating vendor, including the company's response to the survey questions.

The survey was divided into 28 sections and consisted of 243 questions. Each section of the survey ended with a free-text

response field, intended as a catchall for qualifications of the company's answers to any questions in the preceding section, caveats, suggestions for improving the survey questions, or general comments.

Company responses are presented as submitted to us, without substantive alteration—we limited our editorial pen to the correction of obvious typographical errors, spacing issues, and like.

We also try to make your life a bit easier by providing quick summary information about the vendor, high-level notes from us on the system, and a brief visual snapshot of how the system stacks up on key features.

HOW VENDORS WERE SELECTED

A variety of factors, some admittedly subjective, were used to determine which vendors would be included in this initial version of *Association Learning Management Systems*.

- Had we ever encountered the system in the association marketplace? Having worked on association e-learning initiatives for years, we were already aware of a number of systems that associations tend to use.
- Did associations that participated in *Association E-learning: State of the Sector* mention the system? In our survey for this earlier report, we asked respondents about a number of systems, and a number of respondents also wrote in the name of systems we did not list as a survey choice. All of these were considered for inclusion in the report.
- Did the company respond when contacted and agree to complete the survey? We had good contact information (i.e., not just an "info@" address) for the companies we felt might be good candidates for the survey. Some companies did not respond to our inquiries; others responded but then did not complete the questionnaire.
- Finally, the company's product had to meet our criteria for being considered a learning management system. More on this below.

DEFINING LMS AND THE LMS VERSUS LCMS QUESTION

To be considered for the report, a company had to offer its own product or add significant technical value to a third-party or open-source product. In other words, the company could not simply be a reseller or hosting provider for a platform.

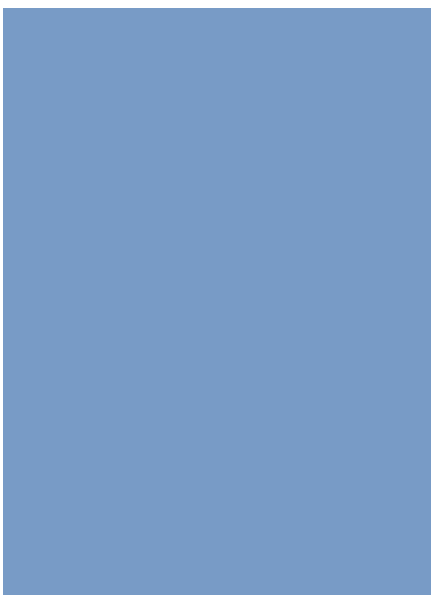
Additionally, the platform had to be designed clearly for the purpose of delivering online learning content—as opposed, for example, to general Web site content—and provide a reasonable level of tracking and reporting for learner use of this content.

We did not, for purposes of this report, make a hard distinction between learning management systems (LMSes), systems intended primarily to deliver and track online learning experiences, and learning content management systems (LCMSes) systems that typically provide for more sophisticated management of learning content objects and typically also include an authoring capability.

We know some readers will object to the blurring of lines between these two types of systems, but we feel the distinction between the two is of limited value, particularly in this market. While some corporate providers still hold firmly to the idea of LMSes and LCMSes as separate pieces of software, academic systems and most of the systems in the association market tend to offer a blend of LMS and LCMS capabilities.

Whatever your perspective on the definitions, we tried to be clear about whether each system in the report includes content authoring capabilities and whether it can deliver and track standards-based content—the two capabilities that we feel are most fundamental in the LCMS/LMS distinction.

Finally, if you represent a company that you feel should be included in this report, we would be more than happy to learn more about your system and potentially include you in the next edition. Please understand, however, that companies that participate must be prepared to provide the same information that companies in this initial version have provided.



How to Use This Report

Some Notes and Suggestions

We view this report as only one part of a complete, thorough process for selecting an appropriate learning management system.

For many organizations, it will serve as a starting point. By reviewing the report, stakeholders who do not have a good idea of the types of value an LMS can deliver may get a better idea of the requirements most relevant to their organization.

In other cases, an organization may already have a good idea of its requirements, and this document can help in identifying the systems that best align with those requirements.

In either case, though, establishing and agreeing to the most important requirements for your organization is fundamental. This document can help with that process, but is not in any way a substitute for it.

Additionally, this document does not necessarily eliminate the need for a request for proposals, and it certainly does not eliminate the need for adequate due diligence. Our hope is that, by providing a great deal of detailed data up front on features and functionalities, the report will enable organizations to focus less on gathering feature data and filtering out vendors during an RFP process and more on substantive conversations with vendors that seem like an appropriate fit.

We caution you not to take all the answers you find in this report at face value. No matter how carefully

we try to ask the questions, there is always room for interpretation. If a particular feature, functionality, or service is of great importance to your organization, be sure ask for a detailed demonstration, check references, or do whatever else may be necessary to confirm that you and the vendor actually understand each other.

Finally, as is already implied in the preceding comments, do not expect this report to identify the perfect system. There is no perfect system. Any of the systems in this report may be a great fit for your organization, depending on your specific needs, but there are always going to be gaps. The key is to make sure the gaps are ones that do not interfere with your most fundamental objectives. Our hope is that this report will help make the tradeoffs clearer and, in the end, leave you feeling that you have made the most informed choice possible.

A NOTE ON ANNOTATION AND TERMINOLOGY

As you review the data in the vendor comparison tables and the individual vendor profiles, you'll notice em dashes (—) at times. An em dash is used to indicate the LMS company did not provide a response where one was expected (requested).

You'll also see "na" and "Not applicable" used. These are used to indicate the LMS company did not provide a response, but no response was expected because the question does not apply (e.g., the question asks about pricing for client-hosted implementations, but the company does not offer client-hosted options).

We encourage you to review the glossary and keep in mind how we defined key terms used in the survey. These definitions were provided to the vendors as well, and they were requested to keep them in mind as they completed the questions.

Glossary

Definitions of Key Terms

Below are definitions of how key terms are used in the survey. Please keep these definitions in mind as you review the vendor responses to the questions.

A

administrator: individual with permission to manage some aspects of the LMS; may be a teacher, facilitator, content developer, or technical manager; compare to *end user*

assessment: one or more questions used to gauge end users' comprehension of topics and content; a test or quiz

association: nonprofit organization that serves its individual or organizational members

C

company: organization offering the LMS

completely custom: used to describe features or functionalities that could be added to the LMS for a particular client via custom programming; compare with *standard, semi-standard, third-party, and unavailable*

client: organization using the LMS

CMS: software used to manage the collaborative creation, editing, review, indexing, searching, publishing, and archiving of digital media and electronic text; acronym for *content management system*

customer: individual employed or served by the organization using the product (could be staff, contractor, end user, etc.)

E

e.g.: for example; abbreviation of the Latin *exempli gratia*

end user: individual accessing and using the product; learner; compare to *administrator*

evaluation: one or more questions used to gauge end users' opinion of topics or content; a survey

I

i.e.: that is, or in other words; abbreviation of the Latin *id est*

implementation: installed instance of the product, usually set up for a client

L

LCMS: software used to provide developers, authors, instructional designers, and subject matter experts the means to create and reuse e-learning content; acronym for *learning content management system*

learning content: what end users access in the LMS for training and education purposes; includes online courses, assessments, PDF-based study guides, etc.

LMS: software for delivering, tracking and managing training and education; acronym for *learning management system*

P

product: unless otherwise defined, the LMS offered by company to clients

S

standard: used to describe features and functionalities that are part of the LMS, even though they may require setup or configuration by the client; compare with *semi-standard, completely custom, third-party, and unavailable*

semi-standard: used to describe features and functionalities that are not automatically part of the LMS and require work by the company but that have been implemented for other clients; compare with *standard, completely custom, third-party, and unavailable*

T

third-party: used to describe features and functionalities of the LMS that are available via products or tools offered by other companies in partnership with the LMS company; compare with *standard, semi-standard, completely custom, and unavailable*

U

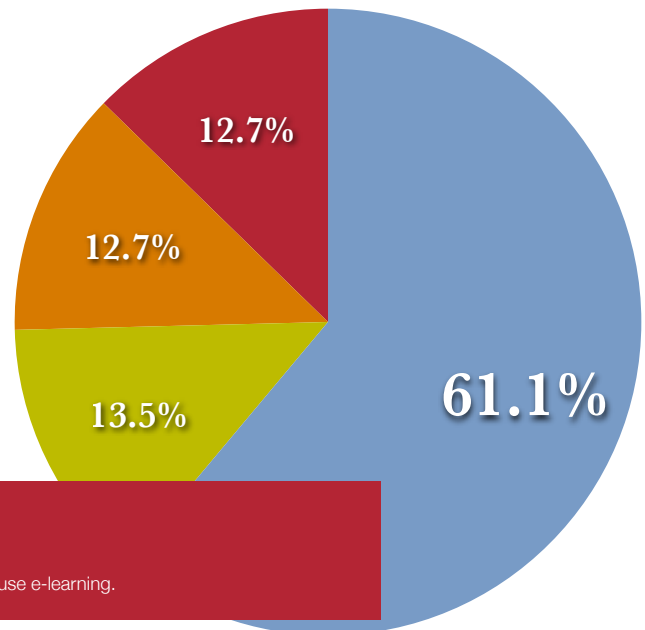
unavailable: used to describe features and functionalities not available in the LMS; compare with *standard, semi-standard, completely custom, and third-party*

Sector Overview

E-learning and Associations

In March 2009, we released *Association E-learning: State of the Sector*, a report that paints a general picture of e-learning activity in the association sector. That report, along with earlier research efforts in which we have been involved, suggests that most associations are making use of some form of e-learning or intend to make use of e-learning in the relatively near future.

Knowing Webinars have become a common format for delivering education, we were not surprised to find that they were, in fact, the most common form



Does your organization currently use e-learning to deliver education?

Over 60 percent of organizations surveyed for *Association E-learning* reported currently use e-learning.

of online education delivery in the association sector: 67.1 percent of organizations already using e-learning reported real-time Webinars as a form of delivery. Interviews with a range of associations supported our view that Webinars are often seen as a relatively easy, low-risk way to enter the e-learning market.

At the same time, the *Association E-learning* report indicated that on-demand, self-paced forms of learning have a significant foothold in the market. Archived recordings of Webinars and Webcasts are one example of this type of content. Not surprisingly, more than half (56 percent) of associations already using e-learning indicated that they offer recorded Webinars or Webcasts. But more than half (54.5 percent) also reported offering self-paced, on-demand courses that were not recorded Webcasts or Webinars. Another 35.4 percent indicated they offer audio or video podcasts—slightly higher than those that offer CD-ROMS or DVDs (34.3 percent).

The popularity of on-demand content, in our opinion, is one of the major factors that will drive learning management system (LMS) adoption in the association sector. Currently, only 34.4 percent of the organizations that offer e-learning make use of a learning management system. An additional 14.7

- **Currently deliver e-learning**
- **Planning to deliver e-learning in next 6 months**
- **Planning to deliver e-learning in next 12 months**
- **No plans for e-learning for at least next 12 months**

percent indicated that they plan to implement an LMS within 12 months. Our research indicates that organizations that offer self-paced, on-demand online courses are much more likely to implement an LMS. Among these organizations, 65.4 percent report either already using an LMS or planning to within the next 12 months.

The benefits these organizations tend to realize from implementing an LMS are the same benefits that will accelerate growth as more organizations become aware of them. Namely, a learning management can:

- Facilitate the sale of learning products
- Provide sophisticated tracking of product usage by learners
- Ease the administrative burden of dealing with continuing education credit
- Provide self-service access to certificates, transcripts, and other resources for learners
- In many instances, be used for managing both online and classroom-based training

Considering that well under half of current e-learning programs have implemented an LMS in a market that continues to grow and mature, it seems a reasonable bet we will see the number of LMS implementations rise significantly in the coming years.

Barriers to Growth

In spite of what seem bullish conditions for growth of the association LMS market, the majority (61.5 percent) of organizations planning an e-learning initiative are unsure about whether they will use an LMS. There are, in our opinion, a number of factors that contribute to this situation:

- The current state of the economy
- A general lack of knowledge about what a learning management system is and how it can help support the business objectives of the organization
- A perception that LMSes are expensive and that implementations are typically complex and time-consuming

Interest in e-learning is strong as a result of travel budget cutbacks and increased concern about time out of office, but an LMS purchase, even if desired, is still perceived as out of reach by many organizations. But economic conditions will, we assume, improve over time. Additionally, organizations will become more informed about the potential operational and revenue-generating advantages that implementation of an LMS can offer. Customer education along these lines, in particular, is an area where LMS providers would be well-advised to refine their efforts.

Better information about the cost and time required to implement an LMS is one of the major benefits we hope this report will provide to organizations.

Implementation Costs and Timelines

Implementation of a learning management system (LMS) or learning content management system (LCMS) is usually a sign that an organization has made the decision to invest significantly in an e-learning strategy—presumably because it sees the potential for a positive return on that investment. Like other complex software, these systems often come with significant licensing fees, and the time and cost for implementation can be substantial, particularly if integration with other systems is involved.

In the questionnaire completed by vendors featured in this report, we asked about both pricing and implementation timelines.

PRICING

To gauge the general level of pricing for LMS implementation in the sector, we asked each company to respond to the following:

- For a *company-hosted* implementation, provide a total pricing estimate in U.S. dollars (USD) for the following number of registered end users *for the first year*. Include all costs paid to company for typical implementations of these sizes (i.e., licensing, customization, integration, training, hosting, and any other areas of work).

Some companies did not provide specific pricing figures, but among those that did, the average year-one cost ranged from just under \$25,000 to \$193,500.

We also asked companies to provide a cumulative figure over three years, to help gauge the

First-year and Three-year Average Costs for an LMS by Number of Registered Users: Hosted by LMS Company

Number of registered users	500	2,500	5,000	10,000	25,000	Unlimited
First-year average cost (USD)	\$24,885	\$50,280	\$72,760	\$109,390	\$146,580	\$193,500
Three-year average cost (USD)	\$59,450	\$250,350	\$203,533	\$288,189	\$396,661	\$435,500

potential longer term costs of an the LMS implementation. The average three-year cost ranged from just under \$60,000 to \$435,500.

All of the companies participating in this report indicated a preference for hosting the learning management system and providing it to the client either through a dedicated server set-up or on a software-as-a-service (SaaS) basis. This approach is generally advantageous to the LMS company because it helps limit the resources and time needed for support, maintenance, and ongoing development of the application. We feel it is also advantageous for the vast majority of clients for these very same reasons. The hosted approach also generally translates into lower overall costs to the client, based on the data we collected from the LMS vendors.

Five of the eleven companies participating in the survey—Blackboard, iCohere, Avilar, Meridian KSI, and WBT Systems—support client-hosted implementations of their LMSes. (Web Courseworks provides a version of the Moodle learning management system. While Moodle is freely available for download and installation on an organization’s servers, Web Courseworks only supports installations of Moodle that it hosts.) For those of the five companies that provided detailed pricing information, the average year-one cost ranged from \$55,000 to \$562,500, and the average three-year cost ranged from almost \$62,000 to \$562,500 (the unlimited-registered-users option carrying the same price tag for the first year or the first three years).

First-year and Three-year Average Costs for an LMS by Number of Registered Users: Hosted by Client

Number of registered users	500	2,500	5,000	10,000	25,000	Unlimited
First-year average cost (USD)	\$55,000	\$140,000	\$210,000	\$330,000	\$416,667	\$562,500
Three-year average cost (USD)	\$61,667	\$148,000	\$221,667	\$350,000	\$433,333	\$562,500

Average LMS Implementation Times in Calendar Days by Complexity

Simple	Typical	Complex
19.2	47.6	85.3

IMPLEMENTATION

With many organizations seeking to respond to the economic downturn by increasing their online education options, the time it takes to implement an LMS is more important than ever before.

We asked participating companies to respond to the following question regarding implementation:

- In calendar days, how long do complex, typical, and simple client implementations of the LMS usually take? (Assume a simple

implementation means the clients uses the LMS as-is with no integration and no custom programming and a complex implementation involves integration and custom programming. Typical implementations should be based on the company’s usual experience with the majority of its clients. Assume the implementation clock starts when the contract is signed and stops when end users begin accessing the LMS.)

Based on these criteria, averages across the participating companies were 19.2 calendar days for simple LMS implementations, 47.6 for typical implementations, and 85.3 for complex ones.

We did not ask companies to distinguish between timelines for company-hosted versus a client-hosted implementation. In our experience, however, implementations for company-hosted solutions require significantly less time than those for client-hosted solutions.

Learning Management and Member Management

At the heart of nearly every association is a membership database of some sort. In smaller organizations, this may take the form of a simple Excel sheet or a Microsoft Access database. As organizations grow, they often adopt one of the more sophisticated association management systems (AMSES). Data related to educational programs and certification very often finds a home in these systems, thus creating a need for all or parts of data generated in other systems to eventually make its way back to the AMS.

The integration of more sophisticated learning management technologies with existing association management systems is, in our opinion, one of the major opportunities available to associations for collecting and mining data that will help them better target their offerings to members.

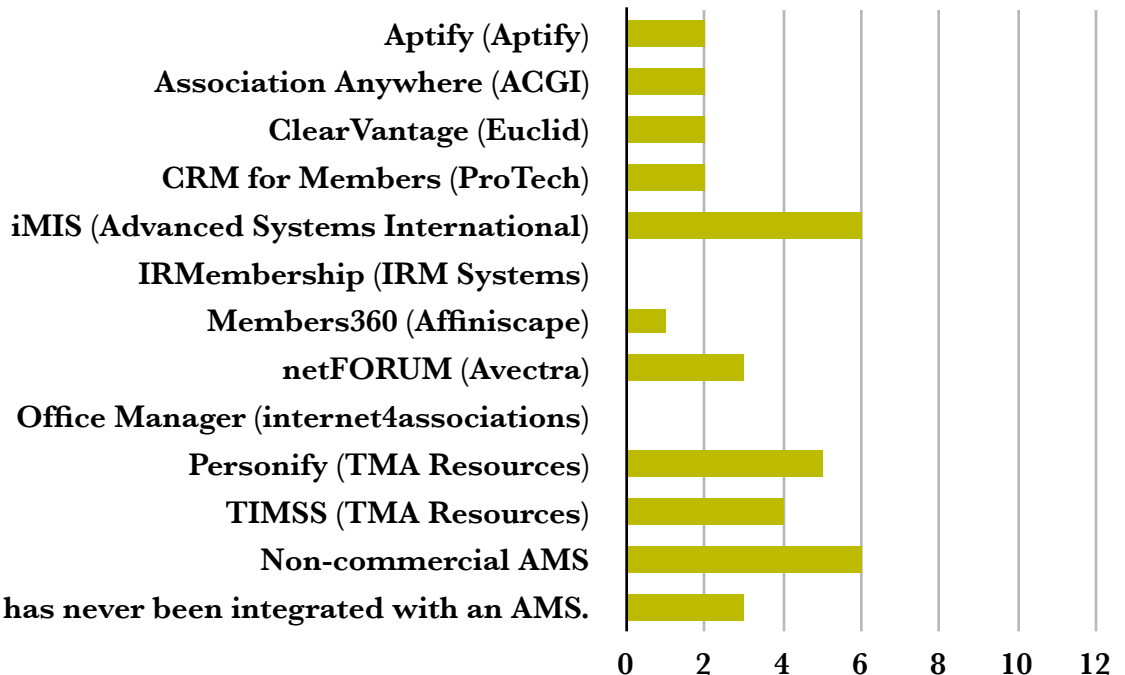
INTEGRATION

In our earlier *Association E-learning: State of the Sector* report, we asked respondents who indicated their organization used or planned to use both an LMS and an AMS system whether the two systems were integrated. Most either had already integrated or planned to integrate the two systems.

As a general rule, integration between a learning management system and an association management system happens at three levels:

1. Single sign-on
A user who is logged into the association's AMS (usually perceived by the end user as being logged into the organization's Web site) can navigate to the learning management system and access her courses or other content without having to log in again. This is the most fundamental level and is generally a prerequisite for other types of integration to occur.
2. E-commerce
A user purchases a course using an e-commerce system that is provided as part of the AMS, or is already integrated with the AMS, and details of the purchase are automatically passed to the LMS. When the user next accesses the LMS, the system knows to present the newly purchased content to the user.

LMS and AMS integration
Of the 12 LMSes covered in this report, most have been integrated with some AMS; three have not.



3. **Learner activity data**
 As a learner accesses courses and other materials in the LMS, the system accumulates a variety of data about the learner’s activities—for example, how much time she spends in a course, what her scores are on assessments, and whether she has completed a course. It is often useful for the AMS to know about some or all of this data—particularly data related to course completion and issuance of continuing education credit or certificates.

We asked vendors to indicate with which AMSes, out of a list of popular systems, their LMS has been integrated for client implementation. Of the 12 LMSes covered in this report, most have been integrated with some AMS (iMIS and completely custom (non-commercial) AMSes topping the list); three have not.

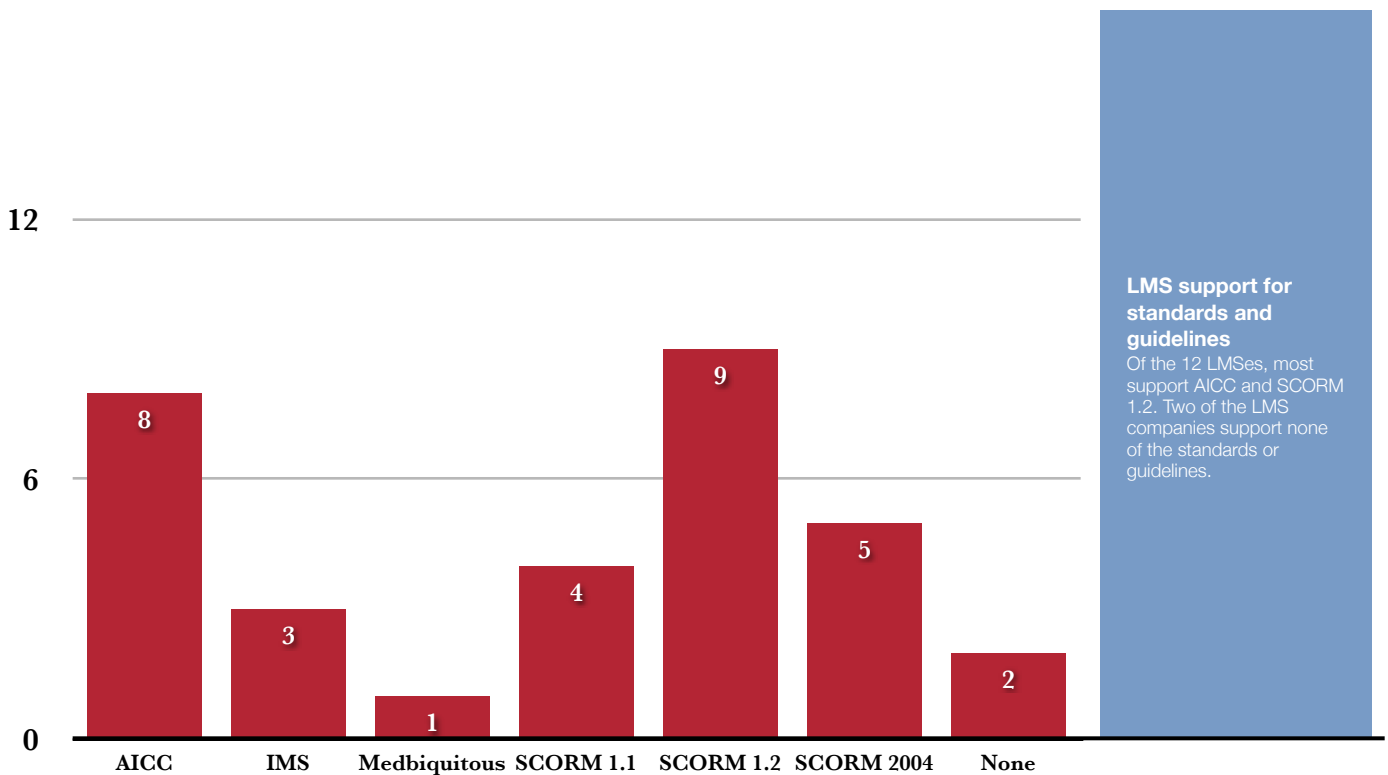
E-learning Guidelines and Standards

The various standards and guidelines that exist for e-learning assume their greatest importance in the context of a learning management or learning content management system implementation. The

standards—the major ones of which are summarized in “Key E-learning Standards in Brief,” which follows—help ensure the portability of content from one system to another and also clarify the parameters for tracking data in a compliant LMS system.

Data collected for the *Association E-learning: State of the Sector* report suggests that standards are not an especially important factor in current association e-learning initiatives. Only 26 percent of organizations that participated in the report identified adherence to the Shareable Content Object Reference Model (SCORM) as “highly important” or “absolutely necessary.” Among organizations that use an LMS, however, 51.8 percent rated adherence to SCORM as either “highly important” or “absolutely necessary.” Organizations offering self-paced online courses—a group much more likely to have a LMS—were also significantly more likely to indicate that SCORM was very important or absolutely necessary (40.2 percent).

We asked LMS vendors to indicate whether their systems launch and track content that conforms to the major standards. The results suggest SCORM and AICC are well supported.



Key E-learning Standards In Brief

The **Airline Industry CBT Committee, more commonly known as AICC**, was one of the first groups to establish standards for how computer-based training (CBT) should communicate with computer-managed instructions systems (CMI) designed to track training activities. First established in 1993, the AICC CMI Guidelines for Interoperability (<http://www.aicc.org/pages/down-docs-index.htm>) form the basis for much of the subsequent work that has been done to ensure that an e-learning course created for use in one learning management system will also function properly in other systems.

A central focus of the **IMS Global Learning Consortium** is how learning content can be tagged so that it can easily be discovered and reused, whether in a single system or across multiple, disparate systems. The various IMS specifications (<http://www.imsglobal.org/specifications.html>) are at the root of terms like *reusable learning object* as well as the most current approaches to interoperability. It should be noted that IMS standards are based on the extensible markup language, or XML, specification created by the World Wide Web Consortium (W3C). XML is the language used for tagging learning content objects.

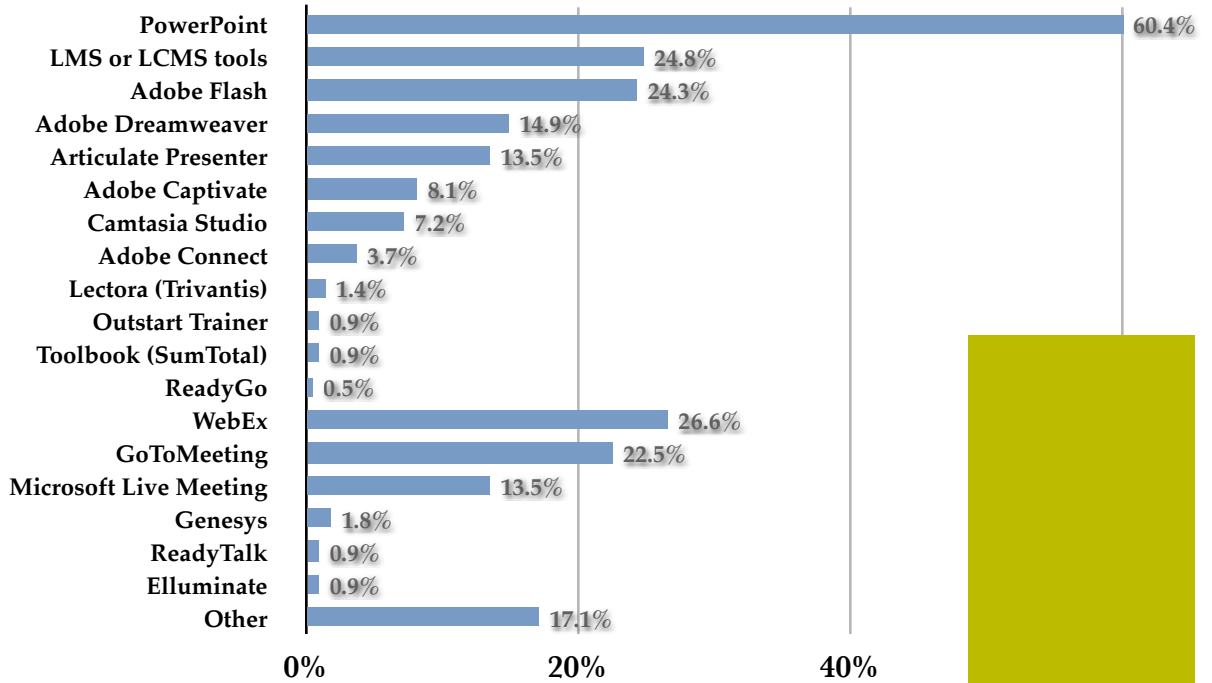
The **Shareable Content Object Reference Model, or SCORM**, is perhaps the most widely recognized set of standards in the e-learning world. It unites standards from AICC, IMS, W3C, and other sources to create a general model for defining, packaging, and managing learning objects. An LMS that is SCORM-compliant should provide the ability to import, launch, and track a lesson or course that has been developed according to the SCORM model. Additionally, an LCMS, or an LMS that features content management capabilities, should be able to recognize and manipulate the shareable content objects, or SCOs, which comprise a piece of learning content.

Medbiquitous (www.medbiq.org) is an organization focused on leveraging XML to establish a set of interoperable standards exchanging educational content and tracking learner activities and profiles as part of healthcare education and competence assessment. We included Medbiquitous as part of the survey based on our knowledge that many healthcare associations are already active in e-learning.

Section 508 (<http://www.section508.gov>) refers the Rehabilitation Act of 1973 and subsequent amendments designed to address the accessibility of electronic and information technologies, including the Web, by people with disabilities. Federal agencies are required—with some limited exceptions—to meet standards defined under Section 508 when purchasing electronic and information technologies, which means that any entity hoping to sell to the federal government must ensure that its products comply to the standards. Requirements aside, many developers and consumers of e-learning feel that compliance with Section 508 is simply the right thing to do. For additional information on Section 508 as it relates to e-learning, see <http://www.access-board.gov/sec508/e-learning.htm>.

Which of the following authoring tools, if any, does your association use for creating e-learning?

Among the organizations surveyed for *Association E-learning*, Microsoft PowerPoint was the indisputable front-runner.



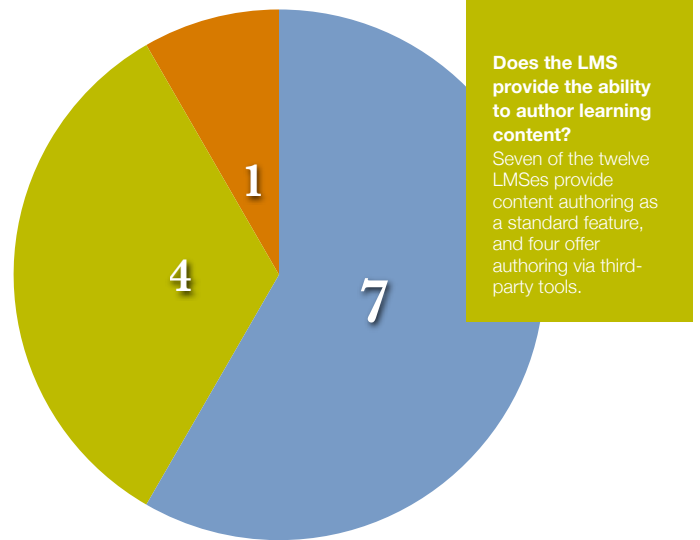
Content Authoring

While content delivery, tracking, and reporting are the most fundamental activities associated with a learning management system, content has to exist before these activities to occur.

In *Association E-learning: State of the Sector*, we noted a range of tools that organizations use for developing e-learning content. PowerPoint leads the pack by a long shot, a fact that is not surprising given that PowerPoint is the starting point for most Webinar content as well as for many off-the-shelf course development tools.

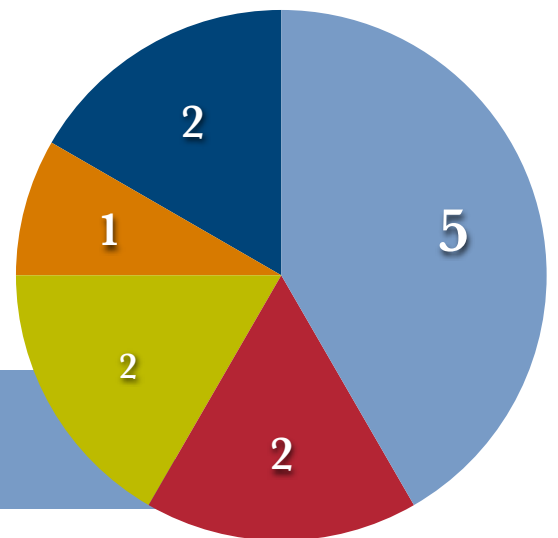
LMS or LCMS tools came in second overall, but among organizations that had actually implemented an LMS or LCMS, they actually beat out PowerPoint by a small margin—58.2 percent to 57 percent.

We asked LMS vendors to indicate whether their system includes any tools for authoring content within the system itself. Also, given the importance of PowerPoint, we asked about how their systems accommodate PowerPoint content for course authoring.



Does the LMS provide the ability to author learning content?
Seven of the twelve LMSes provide content authoring as a standard feature, and four offer authoring via third-party tools.

● Standard ● Third-party
● Completely custom



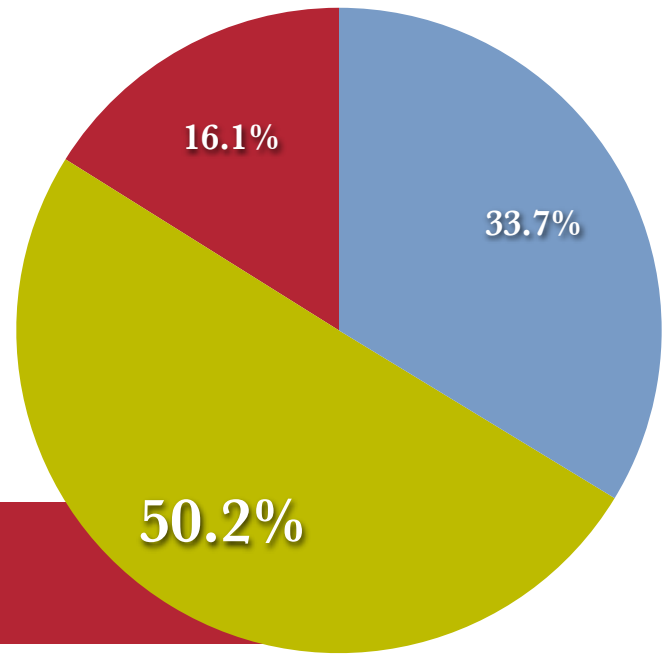
Does the LMS provide import options to automatically repurpose Microsoft PowerPoint content into learning objects in the system?

Five of the twelve LMSes provide such import options by default.

● Standard ● Semi-standard ● Third-party ● Completely custom ● Unavailable

Selling E-learning

One of the key ways in which association e-learning differs from online education and training in the commercial corporate sector is that most associations look to e-learning—and to education in general—as a source of non-dues revenue. E-learning is thus a line of business rather than a cost center for most organizations. At a minimum, it needs to operate on a revenue-neutral basis, bringing in enough income to cover costs. For many organizations, it also needs to contribute positive revenue to the bottom line.



What are your organization's financial goals for its current e-learning offerings?

According to the *Association E-learning* report, the vast majority of association e-learning programs must be at a minimum self-sustaining.

- **Must be self-sustaining but profitability not required**
- **Doesn't need to be self-sustaining (costs subsidized)**
- **Must be self-sustaining and profitable**

Given the existence of this “revenue imperative” in the sector, one of the important components of our LMS research was to understand the e-commerce capabilities of each system included in the report.

All the systems profiled supports automatic enrollment into a course based on an e-commerce transaction. A number of systems are working on enhancements to their e-commerce functionality.

We also asked vendors to provide information about the specific types of transactions that can be handled by e-commerce in their systems. The following chart illustrates the availability of

different types of e-commerce transactions across the group of systems we profiled.

An important point with respect to e-commerce, in general, is that many associations already have e-commerce in place, whether through their association management system or another solution. It is often preferable, therefore, for the learning management system to integrate with the existing e-commerce solution. In these cases, the application programming interfaces (APIs) available for the LMS as well as the vendor’s experience with integration are more important than any built-in e-commerce capabilities the LMS offers.

Which types of e-commerce transactions are available through your LMS?	Availability				
	Standard	Semi-standard	Third-party	Completely custom	Unavailable
Provides for secure transactions (e.g., via SSL)	8	2	1	1	
Handles transactions for online courses	8	2	1	1	
Handles transactions for other online items (e.g., PDF study guides)	7	2	1	1	1
Handles transactions for physical items (e.g., books or CDs)	4	4	1	1	2
Automatically handles payment by credit card (no manual intervention needed)	8	2	1	1	
Handles payment by check (manual intervention needed)	6	2	1	1	2
Handles payment by invoice (manual intervention needed)	6	3	1	1	1

Continuing Education and Certification

Whether to award some form of credit for e-learning is an important decision both operationally and strategically for an organization. From an operational standpoint, there is typically a significant amount of footwork to be done simply to be accredited for providing continuing education credits—even for a certification or credential maintained by the association itself—and usually there are reporting requirements to be followed once accreditation is established. Even relatively simple certificate programs that do not offer continuing education credit can generate a significant amount of operational overhead.

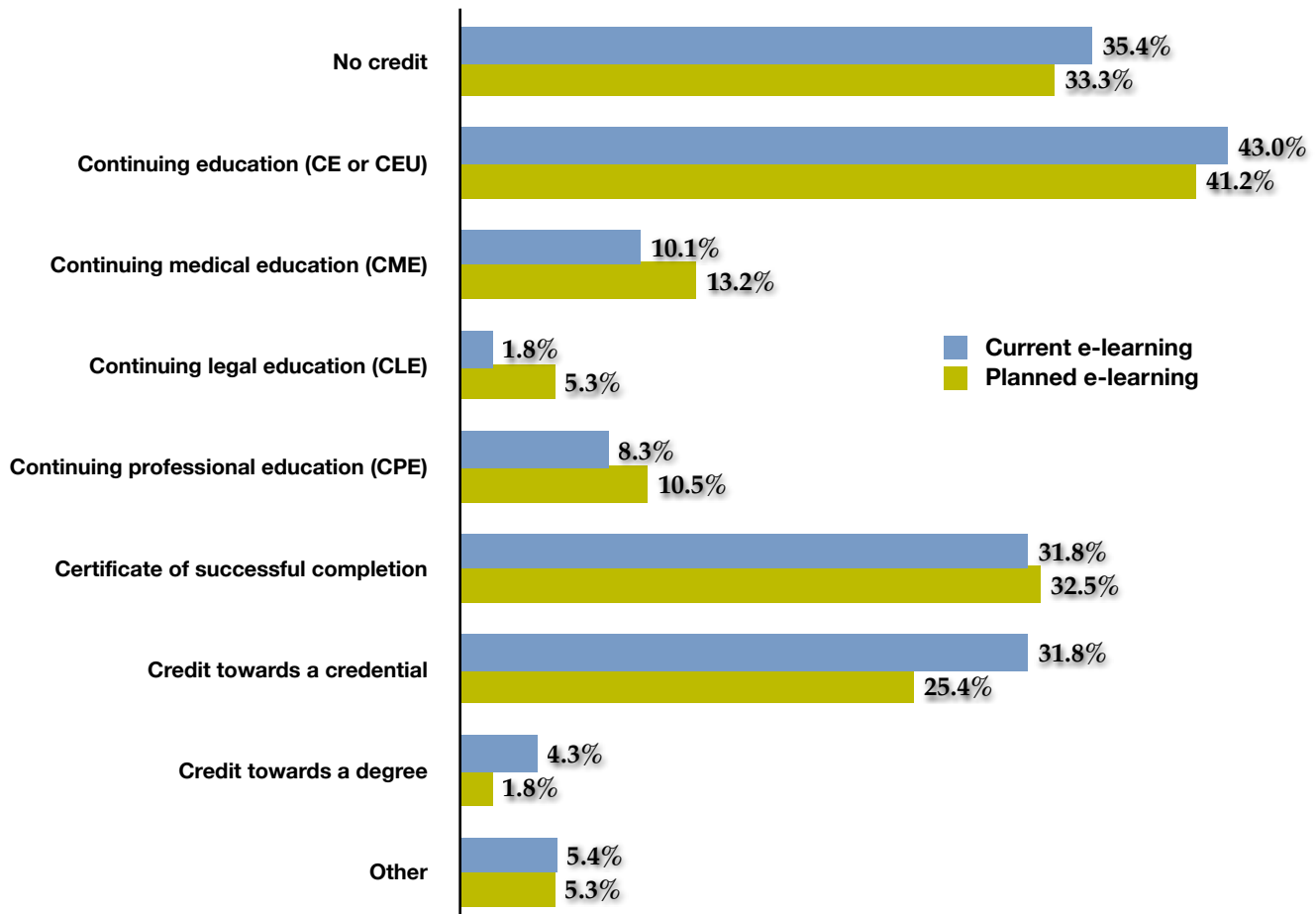
Along with the ability to support revenue generation, one of the most significant benefits a learning management system can offer to an

organization is increased operational efficiency in managing various aspects of awarding and issuing credit. We asked vendors to indicate whether their systems could handle both simple and complex scenarios as well as to provide a range of information about the types of activities to which credit could assigned.

- Does the LMS support *simple* credit scenarios? That is, can an administrator assign, to a single course, a single credit value (e.g., one continuing education unit, or CEU), which is awarded automatically to end users on successful completion of the course?
- Does the LMS support *complex* credit scenarios? That is, can an administrator assign, to a single course, multiple credit values (e.g., multiple credit types or different credit amounts based on the end user’s state of practice), and the

Which type of credit does your organization currently offer or plan to offer for e-learning? Check all that apply.

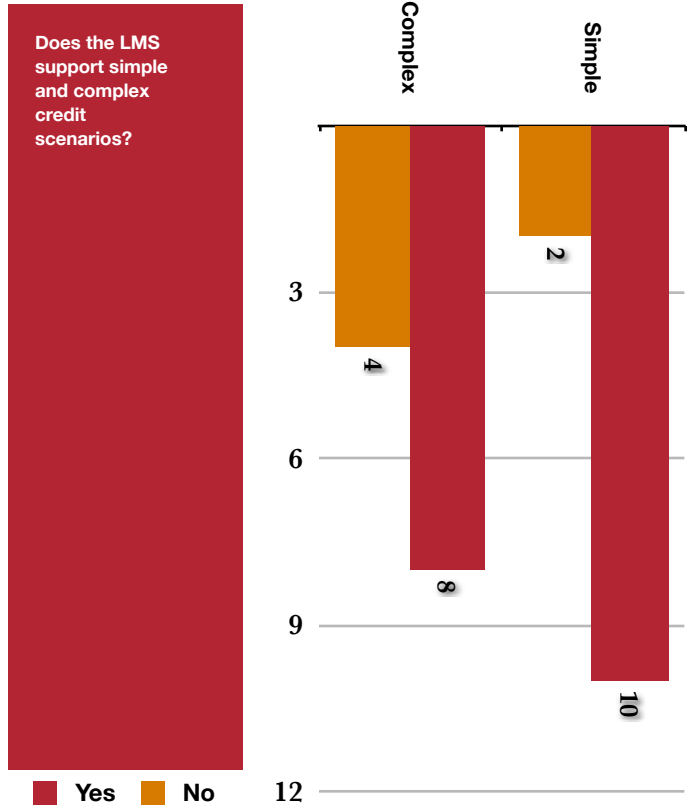
The majority of organizations offering or planning to offer e-learning also award or plan to award some form of credit.



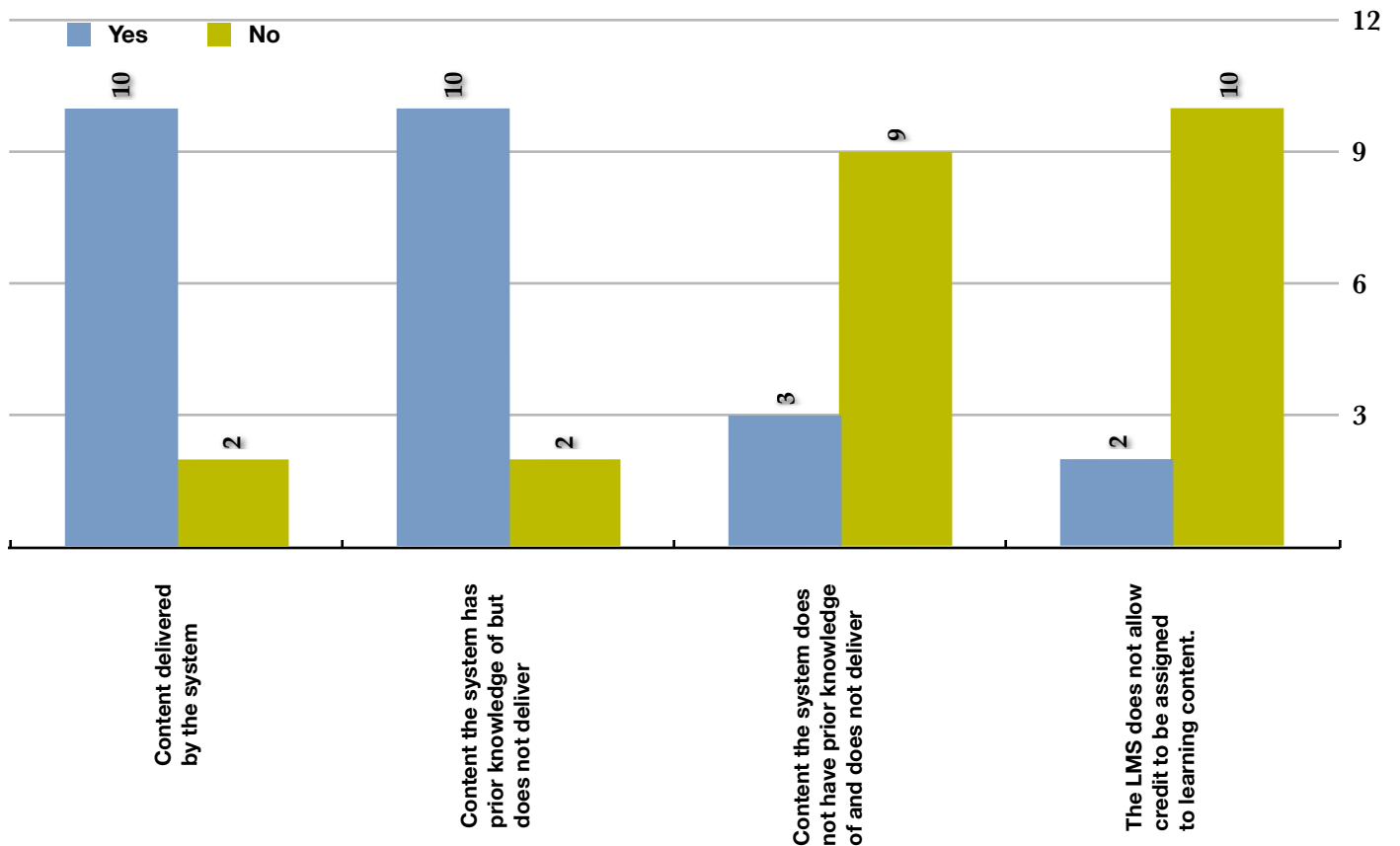
appropriate credit type and amount is awarded automatically to end users on successful completion of the course?

Some of the systems profiled in this report also offer options for tracking certification paths as well as for automatically directing a learner to the courses needed to support a particular certification or competency.

Overall, management of continuing education, certificates, and certification paths can be one of the most valuable aspects of implementing a learning management system, but the true capabilities of a particular system in these areas can be difficult to assess. During the LMS selection process we strongly recommend that organizations map out clear business requirements and use cases in these areas and ask each vendor to provide a detailed demonstration of how the LMS supports these requirements and use cases—and how any gaps might be filled.



To what types of learning content can credit be assigned?
 Cost-effectiveness, convenience, and the ability to reach more learners were among the biggest benefits respondents associated with e-learning.



About Tagoras

The Organization Behind the Report

Tagoras provides research and consulting to help organizations sell digital learning products, create vibrant customer and member learning communities, and implement technologies to support these activities. We work with nonprofits and small to mid-sized businesses to help these organizations better understand and leverage the opportunities made possible by the new Web. Our emphasis is not on gadgets and theories, but on what really achieves results. Our first major report, *Association E-learning: State of the Sector*, was published in March 2009.



About the Principals

Jeff Cobb has nearly two decades of experience in the world of education and technology. After starting his career as a research analyst for the Investor Responsibility Research Center, he first became involved with computer-assisted approaches to learning in the early 1990s as an instructor at the University of North Carolina at Chapel Hill. In 1997, he joined University Access, a company focused on developing online learning experiences for colleges and universities and ultimately went on to lead the academic division of the company. He became senior vice president of business development when the company merged with IEC, a leading developer of computer-based training for Fortune 500 companies, and re-branded itself as Quisic.

In 2001, Jeff left Quisic to found Isoph with the specific aim of helping nonprofit organizations develop successful online learning initiatives. Serving as Isoph's chief executive officer, he worked directly with a wide range of nonprofit clients and developed a deep understanding of the business, technical, and instructional issues that impact nonprofit learning initiatives. In 2005, Isoph was acquired by LearnSomething. Jeff continued on with



LearnSomething until the fall of 2008, when he embarked on the research and consulting activities that now form the core of Tagoras.

Jeff is an award-winning teacher, a frequent speaker in the e-learning world, and author of the e-book *Learning 2.0 for Associations* as well as the popular Mission to Learn blog. He serves on the Professional Development Council of the American Society of Association Executives as well as on the advisory board for Philantech, provider of the PhilanTrack™ online grant proposal, reporting, and management system. He has previously served on the research committee of the eLearning Guild and the editorial board of *Innovate*, a leading resource for information about technology and education.

Celisa Steele has led the development and deployment of successful online education sites with numerous nonprofit organizations ranging from smaller groups like the Frameworks Institute and the Alliance of Chicago Community Health Services to large national and multinational organizations like the American Red Cross, the American College of Radiology, the Society for Human Resource Management, and WebJunction, an initiative of the Bill & Melinda Gates Foundation.

Celisa is a managing director at Tagoras, and she was a cofounder and chief operating officer of Isoph, one of the leading providers of e-learning services to the nonprofit sector. Prior to Isoph, she worked in creative services at Quisic, a developer of high-end online course content for major universities and Global 2000 companies. Before joining Quisic, Celisa worked in curriculum development for the Family and Children's Resource Program (FCRP), part of the School of Social Work at the University of North Carolina at Chapel Hill. A veteran of the e-learning world, Celisa served on the research committee of the eLearning Guild and has served multiple times as a judge in Brandon Hall's annual e-learning awards.

